

Elections
in Australia,
Ireland, and
Malta under
the Single
Transferable
Vote

Reflections on
an Embedded
Institution

*Shaun Bowler
and Bernard
Grofman, Editors*

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under the Single Transferable Vote**

Reflections on an Embedded Institution

Edited by Shaun Bowler and Bernard Grofman

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Contents

Acknowledgments vii

Introduction: STV as an Embedded Institution 1
Shaun Bowler and Bernard Grofman

Overview: Preferential Electoral Systems

Through a Glass Darkly:

Understanding the World of STV 17
David M. Farrell and Ian McAllister

The Single Transferable Vote
and the Alternative Vote Compared 37
Ben Reilly and Michael Maley

A Sophisticated Voter Model
of Preferential Electoral Systems 59
Neal G. Jesse

STV in Ireland

The (Relatively) Victorious Incumbent under PR-STV:
Legislative Turnover in Ireland and Malta 81
Michael Gallagher

Candidate Centered but Party Wrapped:
Campaigning in Ireland under STV 114
Michael Marsh

STV and the Politics of Coalition 131
Michael Laver

STV in Australia, Malta, and Canada

STV in Australia 155

Colin A. Hughes

Malta: STV in a Two-Party System 178

Wolfgang Hirczy de Miño and John C. Lane

Learning History's Lessons Anew: The Use of STV
in Canadian Municipal Elections 205

J. Paul Johnston and Miriam Koene

A Comparison of Improved STV Methods 248

Nicolaus Tideman and Daniel Richardson

Conclusion: STV's Place
in the Family of Electoral Systems 265

Shaun Bowler and Bernard Grofman

References 271

Contributors 285

Index 289

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Introduction: STV as an Embedded Institution

Shaun Bowler and Bernard Grofman

The single transferable vote system (STV) is an important electoral system for both practical and theoretical reasons. In allowing voters to identify a rank ordering of their preferences and not just to mark an X, STV permits voters greater choice and makes possible ballot splitting to express highly differentiated preferences. In particular, it allows for the possibility of party-based voting without limiting the voter's choices to the candidates of a single party in the way that pure list proportional representation (PR) systems do. Also, in societies that are divided along ethnic or religious lines, STV permits voters to signal strong preferences for candidates of one group while still showing some support for candidates of other groups. For these and other reasons, it has long been advocated by many, beginning with John Stuart Mill, as a tool for electoral reform. But although we regard STV as a very important system in its own right, in this volume we are not merely interested in the study of STV per se; rather, we use STV, and electoral rules more generally, as a lens through which to understand the effects of institutions as being mediated by the political and social context in which they are embedded (Farrell 1997).

What makes STV a particularly useful institution to study for the purposes of this volume is that the three countries we have chosen to look at (Ireland, Australia, and Malta) provide for a kind of "natural experiment" on the impact of STV in terms of a "most similar systems" design (Grofman 1999). First, essentially the same electoral system (STV) has been employed in all three societies. Second, all three societies have had sustained historical associations with Great Britain and adapted a number of their political ideas from

that source. It might thus appear reasonable to expect that the same electoral arrangement will have broadly similar consequences in these three settings. Yet despite the similarities among these countries, ways in which they differ prove critical to understanding the impact of STV as an embedded institution. The collection of papers contained here shows that the same electoral system can, in fact, have quite different effects under different conditions: STV in Australia is not the same as STV in Ireland, which, in turn, is not the same as STV in Malta—or, indeed, in Canada.

At first glance, this statement may seem relatively trivial. Yet it is trivial neither in its implications nor in the nature of the evidence required for its substantiation. In thinking about political institutions in general and electoral systems in particular, it is often argued that certain basic effects hold across a wide variety of settings (e.g., Duverger's law and hypothesis with respect to the consequences of electoral system types for minimal/maximal levels of party proliferation). We shall argue the case that even what are thought of as basic electoral systems effects can, to a significant extent, be conditional or contingent on other factors.

But laying out that argument is far from all that this volume seeks to accomplish. First, we wish to substantiate in very specific detail the ways in which a given electoral institution, STV, operates differently in different settings. This collection of papers embodies a research design that allows us to demonstrate that the effects of electoral systems vary in meaningful ways. In choosing the disparate settings of Australia, Ireland, and Malta (and also looking at local elections under STV in Canada), we are able to compare what would, on its face, appear to be the same electoral institution across several different national settings. The resulting collection of findings tells us things that neither single-country studies nor solely analytical treatments of electoral systems can tell us and allows us to understand institutions, especially electoral institutions, as embedded within a context of actors and organizations that can shape, and even undermine, our theoretically grounded expectations about the role of institutions. Because we do focus on particular countries, we can take advantage of the knowledge to be gained from detailed case studies by observers with immense country-specific knowledge. This allows us to begin to accomplish our second task: identifying the particular institutional arrangements and/or other factors that interact with STV to modify or curtail its expected effects on party systems and on governance. Here, we shall be paying particular attention to party nomination procedures, on the one hand, and what would appear to be obscure and irrelevant technical details of imple-

menting STV that differ across the three settings, on the other. Of particular importance to the latter group are those laws that regulate the ways in which voters can complete the ballot in expressing preference orders.

The contribution of this volume, then, is threefold. We contribute to the understanding of one of the major types of electoral mechanisms, preference voting, as it operates in real-world settings. Second, the papers contained here, when viewed in toto, support the argument that electoral system effects are conditional and contingent rather than being categorical and mechanical; they help begin the task of truly understanding the nature of institutional embeddedness in specific detail. Third, the evidence marshaled to support the claim for institutional embeddedness, developed from a most-similar-systems research design that bridges the more traditional approach of cross-national statistical work and case studies, can, we believe, be a useful model for other research in comparative politics. In the context of this aspect of our work, we would emphasize that this volume is but one in a series that uses a most-similar-systems design to study electoral institutions as part of a general project that was first organized by Bernard Grofman, with the continuing support of the University of California, Irvine, Center for the Study of Democracy (and with other support from the UCI Focused Research Program on Public Choice, the UC Center for German and European Studies, and the UC Center for Pacific Rim Studies). The first component of this project involved the study of the single nontransferable vote system (SNTV) in Japan, Korea, and Taiwan (Grofman et al. 1999); the second, on STV, resulted in this volume; the third involved the study of list PR in the Nordic countries and will result in a conference volume to be coedited by Arend Lijphart and Bernard Grofman; the fourth involved the study of electoral systems that mix single-member district and PR components (such as those in Germany and, more recently, Japan, Italy, New Zealand, and Russia) in a conference jointly organized by Martin Wattenberg, Matthew Shugart, and Stephen Levine that also is planned to result in a conference volume. Taken together, these studies provide a series of in-depth treatments of electoral system effects. Although effects between systems are clearly important, this approach allows a look at effects within systems as well. Because variation in effects within systems cannot be explained by reference to the given system itself, this forces us to look elsewhere for other factors to explain that variation. In doing this, we can begin to outline the limits of the effects of electoral systems themselves in part by showing how institutions are embedded within specific organizational contexts that blunt or change institutional effects.

[CV], limited vote [LV], SNTV, and STV) comprise a generally neglected middle ground of study.

But this does not mean that the argument for studying STV is based on some novelty value. In fact, novelty for novelty's sake can be one of the siren songs of the study of electoral systems, luring students into intriguing exceptions and idiosyncrasies in the way elections are conducted at the expense of asking wider questions. Rather, the study of systems such as STV is important for our understanding of what electoral systems can and cannot do at a theoretical level.

STV is a member of the relatively less well understood family of ordinal electoral systems. These systems present both voters and parties with a wide range of strategic options and possibilities—a range that is far wider than that presented by either the single-member simple-plurality system or list PR, the two most commonly studied systems. Indeed, it seems to be the study of the contrast between these two systems and the working out, both empirically and theoretically, of the full consequences of Duverger's law that has preoccupied much of the recent interest in the study of electoral systems. Because of this, it should come as little surprise to find that substantial literatures exist on the ability of voters to cast tactical or sophisticated ballots under single-member districts as well as on issues of proportionality and the related issue of just how many parties each system can support.

Ordinal systems, however, allow for a much richer range of behavior than that produced by categorical systems because they allow voters much greater freedom in how to complete a ballot. Under ordinal systems, voters might be asked to list a set of preferences either in rank-order form (as under STV and AV) or simply make multiple marks for candidates they like (as under CV) or be given several votes (as under SNTV). The normative case in favor of allowing voters such freedom is set forward most eloquently by Enid Lakeman (1974). STV allows voters to choose both between and within parties and so reflects a diversity of opinions within society.

Elections are for the benefit of the electors, not for the political parties or any other interests, and the electors must see to it that they get a system which seems to them adequate for the expression of their views. (Lakeman 1974, 273)

For Lakeman, as for other scholars (e.g., Farrell 1997), STV offers a large degree of freedom for voters to express their views. Over and above any normative value, such freedom may also have enormous consequences for parties, not just in terms of how many parties may be produced by a variety of

systems but also in terms of how they campaign and electioneer and how they may (or may not) fight internally. Not only, then, are answers to such standard electoral studies questions as "How many parties will be produced under system X?" a lot more uncertain under ordinal systems, but also a whole different range of questions is raised by these systems.

Systems such as STV produce a much richer range of more obviously political behavior than do other electoral systems more familiar to students in this field (Bowler 1996). As such, they provide an important alternative insight into the impact of electoral systems. The stark contrast between single-member districts and list PR can help to support a very mechanical view of how electoral systems work in practice. Ordinal systems can, as the collection of papers in this volume shows, support an understanding of electoral systems that emphasizes the contingent and conditional, as opposed to categorical, nature of the relationship between electoral systems and the political behavior of both voters and parties.

This range of outcomes can be seen quite clearly with respect to three of the main examples considered within this volume: The actual practice of STV differs markedly across the cases of Australia, Ireland, and Malta, exhibiting very disciplined and highly centralized parties at the one end of the continuum while exhibiting a much more fluid and internally riven political process at the other.

This brings us to the second broad reason for pursuing a study of STV as a system in this way: Doing so helps us to understand the embeddedness of institutions. By contrast to the more standard approaches to the study of electoral systems, which compare across different systems, this volume adopts the somewhat different approach of making comparisons within systems. The point of this exercise is to arrive at an understanding of electoral institutions, and perhaps institutions more generally, as being embedded within a particular context.

Recent years have seen a revival of interest in the study of political institutions in general (see, e.g., North 1990; March and Olsen 1989). One way of capturing this recent history of political science might be to call it "bringing institutions back in," after the emphasis on avowedly noninstitutional explanations—such as behavioralist or Marxist ones—during the 1960s, 1970s, and on into the 1980s. For students of electoral systems, however, institutions never left! Within this one area of political science, it has always been clear that institutions have the property of shaping the incentives, the expectations, and hence the behaviors of politicians. For students of electoral systems, then, institutional effects and the idea that one should pay close attention to the formal rules of the game have always been a concern.

Nonetheless, both in terms of the broader literature on institutions and also within the electoral systems literature, emphasis has been placed on a fairly broad-grained understanding of what institutions are and should be. Institutions are often seen, within these literatures, as irresistible forces shaping political outcomes whatever the context. But as in this volume, a comparison of broadly similar institutions across different settings can be seen to produce quite different substantive political processes. To the extent that the institutional setting is, in effect, held constant across these different cases, we must then turn to examine alternative explanations as a means of understanding the different electoral outcomes produced in them. Either we must look to a finer-grained institutional analysis—one that takes account of seemingly small differences in rules that may turn out to be quite consequential—or we can look to see how electoral systems interact with other institutions. Alternatively, we can anchor our understanding in the historical and cultural processes in which the electoral institutions are located (see, e.g., Steinmo, Thelen, and Longstreth 1992).

In either event—either by appeal to a more refined analysis of institutional features or through a development of arguments that expose the limits of focusing only on formal institutions—we can begin to advance a contextually informed understanding of institutions. The extent to which we can understand the contexts in which institutions exist determines how fully we can understand the institutions themselves; they do not, after all, exist within a vacuum. This study, therefore, bridges the aggregate, macrostatistical studies that build on cross-system comparisons and those studies that rely on very specific historical or single-case examples and often on highly formal treatments.

In both of the research traditions within the study of electoral systems, electoral institutions are accorded a very prominent, indeed, central role. Implicitly this gives a central causal role to electoral institutions, which can then be held responsible for setting the constraints with which the actions of a given set of actors are determined. Within the literature that employs a cross-national statistical approach, electoral systems are often seen as overwhelmingly important institutions in and of themselves, shaping the behaviors of all actors within a given country. It is this conception, rooted pretty firmly in an appreciation of Duverger's law, that has given electoral engineers hopes of being able to fix many problems by putting in place an appropriate electoral system in the newly emerging democracies.

A number of problems, however, face the would-be engineer. No matter how strongly a given electoral system may shape the politics of a particular

country, other factors also have an impact, and so electoral systems are unlikely to be a panacea. Further, each electoral system implies a series of trade-offs between different objectives that an electoral system might accomplish. And these trade-offs are often difficult to figure out, making it hard for one electoral institution to embody optimal trade-offs on all dimensions, even if one could agree on how to trade off competing desiderata. Under STV, for example, the price of giving voters more of a say over individual candidates may be the weakening of parties through intraparty factionalism. On the other hand, the steps that the parties take to counter these pressures may rob voters of the ability to actually choose in meaningful ways between candidates. And this seemingly small point shows up one of the main virtues of approaching the study of electoral systems in the way we do here.

In principle, STV should encourage both intraparty competition and fractionalization of the party system because of two features of the system. First, STV sets up multimember districts in which voters rank-order candidates and, second, the threshold of representation is relatively low.

The rank ordering of multiple candidates from the same party sets up clear incentives for candidates from the same party to try to do each other down in the interests of winning. Candidates can expect to receive votes from fellow party members who are eliminated and this, coupled with the lower chance of losing everything altogether, means that the internecine struggle is not likely to be as fierce as under systems such as SNTV. But the struggle for votes between candidates of the same party can easily be seen to promote factionalism and discontent.² The threshold of representation (TR) defines the minimum support necessary to earn a party a seat, based on the most-favorable-case scenario in terms of how the other parties divided up their votes. Its companion measure is the threshold of exclusion (TE), which adopts a worst-case scenario and defines the maximum support a party can gain without winning a single seat. The threshold of representation provides a necessary condition for parliamentary representation; the threshold of exclusion provides a sufficient condition for it. At some risk of generalizing too broadly, the point here is that these measures are one means of indicating a number of features of a political system, including the relative ease or difficulty with which new parties may enter the system. Compared with other systems, new parties have a relatively easier time forming and prospering under STV than under several other systems. Moreover, intraparty factional wars can readily provide the motivation to form such new parties.

Taking these two arguments concerning intraparty fights and the ease of entry into the system together, we can arrive at quite straightforward and

readily understood predictions to the effect that STV should promote a highly fractionalized party system. Yet STV does not do this as much as the abstract studies suggest it might, which is just one of the puzzles that are raised, and addressed, by this volume. At least part of the answer to the puzzle of why we see less fractionalization under STV than we expect to see is that countervailing institutions—in particular, political parties—work to combat the incentives of the electoral framework.

The picture that emerges from the studies in this book is that parties are much stronger and more resilient institutions than the electoral-engineering approach would have us expect. Because of this, we arrive at a more nuanced view of institutional effects. Current political science thinking holds that institutions matter. A priori, however, it is not always clear which institution should matter to what, and this is especially clearly shown by this comparison of STV within systems. One of the major virtues of this approach is that it allows a discussion of how institutions are embedded with particular contexts, and one of the actors to which we point as being especially important in this embedding is the political party. We can show, on the basis of this collection of papers, that different parties have responded in different ways to the incentives of the electoral system. This means that we can begin to explain cross-national patterns of variation and the sizable gap between expectations derived from analytical models and the actual practice of elections in all these nations. Specifically, although analytical models of STV predict highly fractionalized parties and party systems, none of the examples show this pattern. In fact, disciplined parties comprise a central part of these nations' political systems. Such parties are able to exist in part because they consciously adopt strategies that blunt the tendency to factionalize. This argument has quite broad-ranging relevance. Anchoring our argument more explicitly in the new institutional literature will allow us to draw out this relevance as well as provide a clearer distinction between organizations such as parties and the formal institutional framework within which they work.

The broader-ranging difference between our conception of institutions and that of much previous work is that it allows actors to react against institutional effects. Much of the work on electoral systems accords with the broader literature on institutions and paints a picture of political actors who are largely passive in the sense that they accept the terms and conditions of those institutions even if the institutions produce outcomes that are somehow unpalatable. Actors (parties and politicians), in these accounts, seem to act almost as do consumers and firms in models of perfect markets and are price takers unable to influence or affect the setting in which they find themselves. By contrast, real-

world actors are likely to try to work around and even manipulate the institutions under which they work. This provides an important dynamic or evolutionary component to our understanding of institutions. Although institutions do shape the incentives facing actors and, in doing so, can frustrate those actors' ambitions, the actors can respond to and try to evade those incentives. One way in which parties may do this is by developing rules internal to the party over, for example, nomination procedures that dampen any tendency to factionalization. Alternatively, actors may change the fine print of the body of rules surrounding electoral systems that govern the conduct of elections or electioneering. For example, parties may change rules on ballot structure, campaign expenditure, or the timing of elections to give themselves advantage.

Plan of the Book

This book begins with three chapters that provide an overview of preferential systems and how they operate. With this general background established, the following chapters examine the workings of STV with regard to country-specific experiences. We first provide three chapters on Ireland, which remains the best known and the most studied of the nations that have used STV; indeed, the Irish experience has often been taken to be fully paradigmatic for its operation. Yet as the subsequent chapters indicate, there may be no single, paradigmatic example that represents this system in practice. Moving from Ireland, then, the chapters consider experiences in Australia, Malta, and Canada. Finally, a brief conclusion summarizes the main points of the book. However, rather than reviewing the chapters in the order in which they appear in the volume, we prefer to discuss them in broader theoretical terms, with a focus on three specific features of electoral systems: (1) consequences for the strength of parties (2), incentives for strategic behavior on the part of both voters and parties, and (3) the importance of seemingly narrow technical differences.

Strength of the Parties/Ability of the Parties to Control the Nomination Process

Colin Hughes's chapter takes up the case of Australia where, he notes, we see a combination of substantial experience with STV in various forms at both the national and state levels alongside the presence of persistently strong parties. A particular concern of Hughes, also taken up in subsequent chapters, is that of the transfer of preferences and party discipline. These topics are addressed,

tem (the so-called ticket vote in Australia) or by altering how many preferences voters must express. Thus, for example, although Australian federal elections insist that voters write down a more or less complete preference ordering across all candidates, Irish rules and rules for several of the Australian states allow voters to mark far fewer (optional preferential voting). In consequence, we see variations in spoiled ballots, invalid votes, and, most dramatic of all, in the kinds of preference transfers that occur. As Farrell and McAllister show, the transfer of preferences across candidates in Australian Senate elections involves the massive transfer of votes between candidates overwhelmingly within the same party in an electoral equivalent to program trading on the stock exchange. By contrast, Irish elections and elections within Australian states such as Tasmania see a far more untidy transfer of preferences, with the possibility of leakage of preferences to and from candidates of other parties. This far less disciplined transfer of preferences thus sets the context for the kinds of strategic behavior considered by Laver and Jesse.

Overall, as noted earlier, this volume marks one in a sequence of studies that stems from a series of meetings held in Irvine, California, that took a broadly similar approach to the study of electoral institutions. Taken together, these volumes mark a new approach to the study of electoral institutions. The intent is to apply a most-similar-systems research design in which the same electoral system is examined in different settings. Each volume in the series of studies makes the same broad point: that significant differences exist within types of electoral system. Together they allow us to better understand the differences across electoral systems. By structuring each volume in such a way as to attempt to hold the electoral system constant, we must look to other causal factors to explain differences among the cases considered. It is especially the behavior of political parties, who seek—and find—ways to blunt institutional incentives, that we find to be the major sources of explanation for cross-national variations and limits to the theoretically anticipated impact of electoral institutions.

NOTES

1. See, for example, Davidson and Grofman (1994).
2. Although these may be bad things from the point of view of the parties, we should note in passing that for advocates of STV such as Lakeman, these are potentially quite good possibilities because they would be produced from the ground up, as it were, by voters themselves deciding whether there should be organized parties at all (Lakeman 1974, 271).