3. Theories of government formation

This chapter provides an overview of the research on government formation. It starts with a discussion of the rational choice approach, then presents different theories of coalition formation, and finally examines the empirical evidence related to these theories in Western and Central and Eastern Europe. This literature review will distinguish between coalition-centred and party-centred theories as well as the impact of contextual constraints on coalition formation. To conclude, the chapter will outline the findings associated with government formation and radical right parties.

3.1 The rational choice approach in research on government formation

Most theories of coalition formation follow the rational choice paradigm. De Swaan (1973, 12–25) summarises the main features of the rational choice approach in the context of coalition formation (see also Strøm 1990a). The rational choice approach is based on the assumption that fully informed actors make decisions based on their preferences in order to maximise the utility of a given outcome. In order to be applicable to real-world politics, however, this assumption must be relaxed. Time, contextual constraints, or a lack of resources may limit an actor's ability to gather the information needed to make a decision. Hence, they will never have—and in most situations, they do not even strive for—complete information. Instead, they collect only accessible information which is most relevant to their decisions. Similarly, actors may not always seek to maximise their utility, but rather settle for "a solution that might satisfy their aspirations" (de Swaan 1973, 14). The picture is complicated even further when decisions are based on competing preferences. Here, decision-making involves multiple trade-offs between different goals which can hardly be maximised simultaneously.

Strøm and Müller (1999) have convincingly demonstrated that political parties decide their course of action based on considerations related to gaining representation in public office, most importantly the national government; to implementing their preferred policies; and to winning popular support during elections. In the authors' words, political parties seek policy, office, and votes (see also Strøm 1990a).

When forming coalitions, parties must confront the trade-offs between these goals (Strøm and Müller 1999, 9–13). Among these goals, however, only policy and office have an intrinsic value for the parties, while vote maximisation is rather instrumental—it is mainly a tool for gaining the capacity to implement policies and/or to enjoy the spoils of public offices, such as key leadership positions and financial revenue for the party (Strøm and Müller 1999, 6–8; see also Sartori 1976, 327). The distinction between intrinsic and instrumental goals is important for reconciling the theoretical assumptions that underlie the majority of works on electoral, and post-electoral, party competition. As Benoit and Laver (2006, 41–42) point out, research on party competition in the electoral arena mostly follows the Downsian (1957) tradition, which views parties first and foremost as actors seeking to maximise votes. Coalition theories, however, are concerned with post-electoral party competition and conceive of parties primarily as office- and policy-seekers. Hence, the notion that vote maximisation is first and foremost an instrumental goal serving the purpose of getting into public office and/or implementing certain policies is paramount for maintaining consistent assumptions about parties' strategic behaviour in both spheres of party competition.

Scholars who emphasise the importance of the national context for coalition formation (von Beyme 1984, 389) frequently criticise the rational choice paradigm for relying on unrealistic and simplifying assumptions. Strøm (1990a) points out, however, that rational choice-based coalition theories account for a good deal of the context in which coalition formation takes place. He illustrates, for instance, that specific contextual configurations can affect the incentives for political parties to prefer a policy-, office-, or vote-seeking strategy. Though coalition formation always takes place in a specific social, political, cultural, and even temporal context, and these elements definitely affect the bargaining process, political parties' pursuit of policy, office, and votes also impacts the outcome. Therefore, it is also misguided to over-emphasise the problems associated with the rational choice paradigm and completely forsake any efforts to draw broad conclusions related to coalition formation. In order not to abandon the goal of cross-national generalisations, the present study follows Strøm's (1990a, 566) strategy, maintaining the basic assumptions of the rational choice approach, but at the same time incorporating the influence of contextual factors.

Unlike *homo economicus* in the original rational choice theory, political parties are collective actors, not individuals. Even though coalition negotiations are usually conducted by a few representatives of the parties' leadership, these elites need to consider the positions of competing factions within their parties during the bargaining process. However, the vast majority of research on coalition formation conceives of parties as unitary actors (Laver and Shepsle 1996, chap. 12; Laver and Schofield 1998, chap. 2; see also Benoit and Laver 2006, 41; Müller, Bergman, and Ilonszki 2019, 26). The presence of intra-party competition between rank-and-

file members and elites or different factions and organisational units cannot be dismissed. With regards to coalition formation, however, Laver and Schofield (1998, chap. 2) conclude that the treatment of parties as unitary actors is generally justified, if they share common goals and do not resemble mere "coalitions of factions" (Irving 1979, in Laver and Schofield 1998, 20; see also Benoit and Laver 2006). Therefore, the present study follows the majority of research on coalition formation and treats parties as unitary actors.

3.2 Theories of coalition formation and their empirical results: Central and Eastern Europe and Western Europe compared

3.2.1 Coalition-centred theories

The coalition-centred branch of research on government formation has produced a wide range of theoretical propositions that aim at explaining or predicting the composition of coalitions.[1] The first formal theories in the game theoretic tradition conceived of political parties as pure office-seekers. These policy-blind theories assume that parties seek to translate their parliamentary seat share into maximum control over as many cabinet posts as possible by reducing the costs of negotiating with other parties in the process of coalition formation (Laver and Schofield 1998, 92–94; Dumont, de Winter, and Andeweg 2011, 7; Müller, Bergman, and Ilonszki 2019, 15–16). In this vein, the theory of the minimal winning coalition (von Neumann and Morgenstern 1953, in Laver and Schofield 1998, 92; see also Riker [1962] 1984) holds that parties seek to form coalitions based on the barest majority possible, such that a minimal winning coalition would lose its majority if one party left the coalition. This approach minimises the number of coalition members competing for political influence while also guaranteeing the backing of the parliament in a vote of (no) confidence. Other office-oriented theories propose that parties aim at reducing bargaining costs by forming only those coalitions that include as few parties as possible (Leierson 1968, in de Swaan 1973, 65) or the smallest number of seats sufficient for reaching a majority in parliament. This last type is referred to as minimum winning coalition (Riker [1962] 1984, 32–33; Laver and Schofield 1998, 94–95).

Several empirical studies show that minimal winning coalitions are indeed the most frequent coalition type in Western Europe. Depending on the exact sample of countries and time period covered, between 30 and 40 per cent of governments in post-war Western Europe followed the logic of minimal winning coalitions (Laver and Schofield 1998, 95; Martin and Stevenson 2001; Mitchell and Nyblade 2008, 207; Bergman, Ilonszki, and Müller 2019b, 538). The minimum winning proposition,

1 For an overview, see e.g. Laver and Schofield (1998) or Müller, Bergman and Strøm (2008).

however, has proven to be too rigid. Parties seem to prefer more stable majorities that forgive the occasional defection (Laver and Schofield 1998, 96; Dumont, de Winter, and Andeweg 2011, 8). The minimum parties proposition also finds less support in Western Europe than the minimal winning proposition (Laver and Schofield 1998, 95).

However, these purely office-oriented theories were criticized for several reasons. First, they fail to predict the correct outcome of coalition formation in (at least) half the cases. Second, the theory of the minimal winning coalition usually produces several equiprobable coalitions of that format, making it difficult to discern how well it actually performs. Third, critics note the questionable assumption that parties are purely office-seeking (Laver and Schofield 1998; Martin and Stevenson 2001; Benoit and Laver 2006; de Winter and Dumont 2006).

Scholars have sought to remedy these shortcomings by incorporating parties' policy preferences into theories of coalition formation, based on the assumption that ideological proximity reduces bargaining costs while also facilitating cooperation and policymaking among government members (Laver and Schofield 1998, 96–98; Dumont, de Winter, and Andeweg 2011, 8–9). The minimal connected winning theory (Axelrod 1970, 166–75; see also Laver and Schofield 1998, 97–102), for instance, argues that parties should form only such majority coalitions that are ideologically connected or, more precisely, situated next to each other in a unidimensional policy space.

In a similar vein, the policy distance, or minimal range, theory (de Swaan 1973, chap. 5), posits that parties seek to minimise the policy range of a coalition on the left-right dimension. This theory exists in closed and open versions. In the closed version, it requires all coalition parties to be connected. Since de Swaan's (1973, 88) theory also includes the majority element, the closed minimal range theory is very similar to the minimal connected winning theory. The open minimal range theory, however, is primarily concerned with the policy range of the coalition and less with the position of the individual parties in relation to each other. Hence, the open version allows for opposition parties to be situated between the coalition partners.

Another policy-oriented explanation of coalition formation is the median party proposition. It holds that the party of the median legislator, or the member of parliament with an equal number of representatives to the left and right, will be part of the government coalition. Assuming that no member of parliament votes against their party's policy preferences, no policy-consistent majority can be formed without the median party (Laver and Schofield 1998, 111).

Empirical studies on coalition formation in Western Europe show that including ideological proximity significantly improves the explanatory power of formal coalition theories, such as the minimal connected winning and the minimal range theory (Martin and Stevenson 2001; Mitchell and Nyblade 2008). Around 80 per cent of all coalitions in Western European democracies included the median party (Laver and

Schofield 1998, 113; see also Bergman, Ilonszki, and Müller 2019b, 540). Yet, similar to the theory of the minimal winning coalition, the median party proposition usually yields multiple equiprobable outcomes (Dumont, de Winter, and Andeweg 2011, 9).

Before turning to the predictive capacity of these theories in Central and Eastern Europe, it should be noted that coalition governments occur more frequently in this region than in Western Europe. Institutional design plays a significant role in explaining the low frequency of single-party governments in Central and Eastern Europe. Most importantly, none of the post-Communist countries opted for a majoritarian electoral system, a key institution for providing individual parties with an absolute majority in parliament (Grotz and Weber 2011, 100–101; Bergman, Ilonszki, and Müller 2019b, 538).

When compared to Western Europe, the formal office-oriented theories correctly predict a similar share of coalitions in Central and Eastern Europe. Minimal winning coalitions, for instance, are also the most frequent type of coalitions in post-Communist democracies (Grotz and Weber 2011, 101–2; Bergman, Ilonszki, and Müller 2019b, 538; see also Savage 2016). Some empirical evidence even supports the minimum parties proposition in Central and Eastern Europe (Savage 2016, 519). The share of minority governments and surplus coalitions differ between these regions, but the difference is not dramatic. Bergman and his collaborators find that 24 per cent of all governments in Central and Eastern Europe between 1990 and 2014 are oversized coalitions (compared to 23 per cent in Western Europe) and 38 per cent are minority governments (compared to one-third in Western Europe). They also highlight significant intra-regional differences in both parts of the continent (Bergman, Ilonszki, and Müller 2019b, 538–39; Müller-Rommel et al. 2008, 813).

The policy-oriented theories are rarely tested in Central and Eastern Europe, which is probably related to difficulties in measuring the policy space in the post-Communist democracies (see Chapter 2.2). Grzymała-Busse (2001) and Savage (2016) include policy distance in their analyses of government formation in Central and Eastern Europe. However, Grzymała-Busse (2001, 91) finds that only ten and 24 per cent of the coalitions in her study minimised the ideological distance on a socio-cultural and socio-economic dimension, respectively. In Savage's (2016, 519) model, ideological distance has no significant effect on the composition of coalitions. Grotz and Weber (2011, 204–5) acknowledge the problems associated with measuring policy distances in Central and Eastern European party systems. Therefore, they use the equally imperfect concept of party families to operationalise ideological proximity. They find little support for the minimal connected winning proposition, since only 24 per cent of the minimal winning coalitions consisted of parties from similar party families. Similar to Western Europe, the median party is also included in three out of four governments in Central and Eastern Europe (Savage 2016, 540; Bergman, Ilonszki, and Müller 2019b, 540). Due to the limited

impact of ideological proximity, the majority of researchers conclude that office-seeking is more influential than policy considerations in the coalition negotiations of Central and Eastern Europe (Bergman, Ilonszki, and Müller 2019b, 566; see also Döring and Hellström 2013; Savage 2016).

In addition to these formal theories, scholars also advance empirically oriented, non-formal theories of coalition formation. Strøm, Budge and Laver (1994, 311), for instance, argue that incumbent coalitions have an advantage in coalition bargaining if the institutional setting renders them the "reversion point" when parties cannot agree on an alternative government. Other authors have proposed that the continuation of incumbent governments results from parties' attempts to reduce transaction costs by working with familiar partners. Thus, they can build on established routines and trusting relations instead of starting over with new coalition partners which may entail a higher degree of uncertainty (Bäck and Dumont 2007, 474–75; Martin and Stevenson 2010, 504).

Martin and Stevenson (2010) find empirical support for a positive incumbency effect in Western Europe based on both institutional settings and parties' preferences for familiar partners. Moreover, the authors draw attention to the often-overlooked issue of government termination. They show that the incumbency effect also depends on the mode of termination of the incumbent coalition and its electoral performance (Martin and Stevenson 2010, 515–16). In Central and Eastern Europe, incumbency had a negative electoral effect. 84 per cent of the incumbent governments suffered electoral losses averaging 37 per cent fewer seats in the following parliament (Bergman, Ilonszki, and Müller 2019b, 564–65; see also Roberts 2008). Roberts (2008) refers to this as "hyperaccountability" of governments in Central and Eastern Europe. Savage confirms this incumbency disadvantage, but he adds that it only applies to government formation immediately after elections. When governments are formed mid-term, incumbent governments even have an advantage (Savage 2016, 524–28; see also Döring and Hellström 2013, 684).

3.2.2 Party-centred coalition theories

While the classic policy- and office-oriented theories of coalition formation explain the composition of coalitions as a whole, party-centred theories focus on the coalition membership of individual parties. By shifting the focus to political parties as the "building blocks" of coalitions (Müller and Strøm 2000a, 6), they provide a partial remedy to the problem of equiprobabilty. A few studies apply a broad scope (Warwick 1996; Döring and Hellström 2013; Savage 2014), but most party-centred research focuses either on particular party types and families (Dumont and Bäck 2006; Druckman and Roberts 2007; Dunphy and Bale 2011; Zaslove 2012; de Lange 2008; Grotz and Weber 2013; Gherghina and Jiglău 2016) or on the effect of particular factors, such as experience in previous government (Tavits 2008b; Martin and

Stevenson 2010) or electoral success (Mattila and Raunio 2002, 2004), on a party's coalition membership.

Several party-centred theories use the characteristics of individual parties to explain their participation in government. Similar to the office-oriented, coalition-centred theories, the seat share of parliamentary parties features prominently among these characteristics. Döring and Hellström (2013, 693–94) find strong evidence supporting the assumption that election winners enter governing coalitions. This finding holds true, if the largest party also becomes the formateur of the coalition (Warwick 1996, 488; Martin and Stevenson 2001, 43; Savage 2014, 556). The electoral result also matters for smaller parties. Some studies show a linear correlation between the size of a party's parliamentary group and their chance to enter government in Western and Central and Eastern Europe (Mattila and Raunio 2004; Döring and Hellström 2013). Another study on coalition formation in Western Europe, however, finds a negative correlation between the size of potential junior partners and their chances to become coalition members, which suggests that formateurs seek to maximise their own influence in government by choosing partners that are just big enough to secure a working majority (Warwick 1996, 499).

Some scholars argue that not only absolute electoral results but also gains and losses of a party compared to the previous elections can affect their coalition membership. Electoral gains can be understood as the voters' intention to bestow a party with more responsibility, whereas losses signal their negative assessment of a party's previous performance and/or what it offered for the future (Warwick 1996; Döring and Hellström 2013; see also Dumont and Bäck 2006; de Lange 2008). Mattila and Raunio (2004, 280) study coalition formation in 15 Western European democracies, and they find that vote gains, but not losses, have a significant effect on a party's coalition membership. Döring and Hellström (2013, 693–95), however, find that losses also reduce parties' chances to enter government in both parts of the continent.

Another structural feature of political parties that can influence their chances of entering a coalition government is political experience. In Western Europe, previous experience in government matters most when a party is a member of the incumbent government (Martin and Stevenson 2001, 2010; Bäck and Dumont 2007). Incumbency increases a party's chance to become the formateur of a coalition regardless of whether it was previously the prime minister party or a junior partner. However, an incumbent prime minister party is less likely to become a junior partner in the next government (Mattila and Raunio 2004, 279–81; Martin and Stevenson 2010). Moreover, the mitigating effects of (non-) conflictive government termination and electoral success also apply to the party level (Martin and Stevenson 2010). Due to hyperaccountability, incumbent parties have no significant advantage in Central and Eastern Europe (Döring and Hellström 2013, 694; Bergman, Ilonszki, and Müller

2019b, 564). Similar to coalitions as a whole, however, they are more likely to remain in office when governments re-form mid-term.

With regard to Central and Eastern Europe, Grotz and Weber (2011) introduce the concept of seniority, which covers experience in parliament as well as in government. Empirically, however, the authors determine that governing parties are not necessarily more experienced than those in opposition (Grotz and Weber 2011, 205–6; see also Savage 2016). Similarly, new parties were not significantly more likely to enter government than parties with parliamentary experience (Savage 2016, 524–25). Research on Western Europe also concludes that experience in parliament or in any government prior to the incumbent one does not create an advantage for parties in coalition bargaining (Martin and Stevenson 2001; Dumont and Bäck 2006).

Another structural feature to be addressed here is party organisation. Maor (1998), for instance, finds that effective channels of intra-party conflict resolution, usually found in well-organised and decentralised parties, contribute to their bargaining power. Similarly, Druckman (1996) points out that the reduction of factionalism has a positive effect on government stability in Western democracies. In Central and Eastern Europe, the effects of party organisation on coalition formation have not yet been subjected to a comparative analysis. However, Tavits (2013) finds that an effective party organisation has a positive impact on the "success", "survival", and "unity" of Central and Eastern European parties. By showing that effectively organised parties are better able to "successfully overcome any crises" and "keep their representatives unified and the party cohesive in office" (Tavits 2013, 195), this study provides at least indirect support for a similar effect of party organisation in Central and Eastern Europe.

Whether parties enter government and remain in opposition can also depend on the ideological preferences of these parties and their competitors. Research on government formation in Western Europe shows that the ideological distance of a potential junior partner from the formateur, or a party's ideological distance from the median party, affects its chances to enter government (Warwick 1996; Martin and Stevenson 2001; Mattila and Raunio 2004; Döring and Hellström 2013). Median parties themselves are in a favourable position to become formateurs of a coalition government (Warwick 1996; Martin and Stevenson 2001, 43; Mattila and Raunio 2004).

In Central and Eastern Europe, Savage (2016, 519) confirms that the median party is more likely than other parties to be included in government. Döring and Hellström (2013) show that the ideological distance between a party and the median of a universal left-right dimension is not significantly related to entering government in Central and Eastern Europe, concluding that ideology has no effect on a party's coalition membership in the region. Savage (2014), however, provides strong evidence that the ideological preferences of Central and Eastern European parties have an impact on their participation in government. Similar to the findings in Western Europe, he

shows that parties closer to the median are more likely to enter government and that a party's ideological proximity to the formateur is a key determinant of junior coalition membership.

3.2.3 The impact of context factors on government formation

A wide range of context factors can constrain parties' options and decisions in coalition politics, for example the institutional frameworks, party systems, or historical trajectories.

Institutional constraints

With regards to the legal-constitutional framework, Strøm, Budge, and Laver (1994) mention, for instance, cabinet formation rules, cabinet operation rules, and legislative rules. Cabinet formation rules comprise provisions that regulate the process of government formation. In some countries, the constitution contains a specific procedure for selecting a formateur, or stipulates whether a newly formed government requires an investiture vote in parliament. Cabinet operation rules, such as the modes of cabinet decision making and the distribution of power among cabinet members, can indirectly influence the negotiations preceding coalition formation. Similarly, the rules for cabinet termination, such as the existence of constructive, or destructive, votes of no confidence, might be taken into account when deciding upon the format of a coalition.

Legislative rules can affect the parliamentary majority that a government needs to survive and pass legislation. The electoral system, for instance, impacts how parties are represented in parliament. Majoritarian systems more often create large parliamentary groups and single-party governments than (semi-) proportional ones (Strøm, Budge, and Laver 1994, 314–16; Buzogány and Kropp 2013, 279; Nikolenyi 2014, 10–11). But even within the group of semi-proportional and proportional systems, electoral thresholds or the number and size of districts affect the distribution of seats in parliament (Nikolenyi 2014, 25–27). Moreover, federalism and bicameralism can impact coalition formation, particularly when they occur together in the form of a second chamber of parliament composed of federal state representatives that have the power to block legislation (Kropp, Schüttemeyer, and Sturm 2002b, 20).

Yet, generalisations about the individual effects of specific institutional factors on coalition formation are quite difficult. Whether a single institutional factor constrains or facilitates government formation can change profoundly depending on

the overall institutional framework (Strøm, Budge, and Laver 1994, 325–26).[2] On a very general level, the literature agrees that electoral systems affect government formation. Across Europe, proportional systems generate minority situations in parliament more frequently than majoritarian systems, which often empower a single party with a clear electoral majority. Consequently, the dominance of proportional systems in Central and Eastern Europe is one of the key explanations for the low level of single-party majority governments in the region (Laver and Schofield 1998, 204; Bergman, Ilonszki, and Müller 2019b, 536).

The vast majority of research on Western Europe further agrees that the absence of investiture votes favours the formation of minority governments (Müller and Strøm 2000c, 567–69; Mitchell and Nyblade 2008, 229; Bergman, Ersson, and Hellström 2015, 360–61).[3] The institutional frameworks in all Central and Eastern European countries include some version of an investiture vote, which is why this factor cannot explain the variance that exists across the region. Nikolenyi (2014) finds, however, that minority governments are more likely to form in Central and Eastern European polities where the parliament's involvement in the process of coalition formation is not limited to the "reactive role to confirm, or reject, the prime ministerial appointment made by the head of state" (Nikolenyi 2014, 32).

Party systems

Following Sartori (1976), the characteristics of party systems can be distinguished into numerical-structural features, such as fragmentation, and ideological ones, such as polarisation. Both feature prominently in research on coalition formation in Western and Central and Eastern Europe. Similar to the institutional factors, however, these party system characteristics should not be examined in isolation from one another (Dodd 1976, 139).

The formation of (majority) governments becomes more complex when the fragmentation of party systems increases (Dodd 1976; Kropp, Schüttemeyer, and Sturm 2002b; Müller, Bergman, and Strøm 2008). Depending on the unit of analysis, empirical studies find various effects of fragmentation on government formation. In their study on the government participation of individual parties, Döring and Hellström (2013) demonstrate that fragmentation has no effect in either part of Europe (see also Savage 2014). Warwick (1996, 495), however, shows that parties in more fragmented party systems in Western Europe aim at reducing the number of (small) coalition members in order to minimise bargaining costs. Grotz and Weber's

2 Strøm, Budge, and Laver (1994, 309) also mention that some institutional choices result in hard constraints that fully eliminate certain coalitions while others create soft constraints that make them less likely.

3 There has been some doubt as to whether this condition alone is sufficient for the emergence of minority governments (Müller, Bergman, and Ilonszki 2019, 32).

(2011, 202–3) coalition-centred research on Central and Eastern Europe indicates that minimal winning coalitions occur more regularly in compact, non-fragmented party systems, whereas oversized coalitions are formed more frequently when fragmentation is high. Somewhat contrary to Warwick, they argue that including more parties than necessary provides the coalition with a safety net in the fluid environments of Central and Eastern European democracies. Both arguments are plausible and not necessarily contradictory, if stable coalitions can be formed by a small number of large parties. In highly fragmented party systems with many small parties, however, coalition formation usually entails a trade-off between minimising the number of coalition members and maximising stability.

Research on government formation investigates few structural-numerical characteristics of party systems other than fragmentation. Herman and Pope (1973, in Keudel-Kaiser 2014, 60) demonstrate that minority governments are more likely to be formed in Western European party systems when one large party comes close to controlling a majority in parliament. Keudel-Kaiser (2014, 242–43) finds no similar effect in Central and Eastern Europe because parties were rarely that strong. She shows, however, that the dominance of two electorally strong parties, neither of which attain an individual majority, can contribute to the formation of a minority coalition in the region.

The findings regarding the impact of the polarisation of party systems in Western Europe are rather mixed. Mitchell and Nyblade (2008, 228–31) test various indicators of polarisation, including the share of extremist parties, the policy range of parliamentary parties, and the policy range weighted by the parties bargaining power, but they find only limited effects of these variables on the format of government. Other studies, however, show that the polarisation of party systems can facilitate the formation of single-party governments (Bergman, Ersson, and Hellström 2015, 359), minimal winning coalitions (Indridason 2011, in Bergman, Ilonszki, and Müller 2019b, 537), or minority governments (Martin and Stevenson 2001, 46; see also Dodd 1976, chap. 7).

The findings are similarly inconclusive in Central and Eastern Europe. The study by Bergman, Ersson, and Hellström (2015, 360) shows no significant effect of polarisation on the format of governments. Grotz and Weber (2011, 203), however, find that minimal winning coalitions are rare in deeply polarised party systems. Keudel-Kaiser's (2014) study on the formation of minority governments in Central and Eastern Europe shows that both the structural-numerical and the ideological configuration of party systems have a strong impact on this particular outcome. In addition to the electoral dominance of two parties, she finds that the presence of non-coalitionable parties, "a lack of coalition partners sharing the main policy positions with the formateur" (Keudel-Kaiser 2014, 257) and, in particular, strong ideological divides between two opposing camps, facilitate the formation of minority governments. These results underline that the impact of the structural-numerical and ide-

ological characteristics of a party system on government formation is quite complex and that it often depends on the specific configurations in which they occur (Dodd 1976, 139; Mitchell and Nyblade; see also Laver and Shepsle 1996).

Historical context factors

Historical trajectories of a country or region can also influence government formation, as observed in the Western European context, for instance, by the limited sovereignty of some countries after World War II, the scepticism towards Communist parties during the Cold War, or the process of EU integration and the leverage the EU exerts on national politics (Kropp, Schüttemeyer, and Sturm 2002b, 32–37). In Central and Eastern Europe, the focus turns immediately to Communist and transitional legacies. Communist successor parties, for instance, have played an important role in party systems across the region, but these parties have dealt with their past quite differently and, consequently, taken different paths in the post-Communist era. Some of them, such as the Polish Democratic Left Alliance (SLD) or the Hungarian Socialist Party (MSzP), undertook credible reforms and transformed into socialist or social democratic parties, whereas the Communist Party of Bohemia and Moravia (KSČM) in the Czech Republic maintained their orthodox Communist ideology after 1989 (Ishiyama 1997; Grzymała-Busse 2002). In relation to coalition politics, Druckman and Roberts (2007, 24) find that these parties are disadvantaged in several ways, but primarily because "other parties, and particularly their electorates, will view Communist successor parties not only in terms of their legislative strength and ideology, but also in terms of their identity as representatives of the old regime". As a result, their chances to participate in government are significantly lower than those of other parties. If they manage to enter government, Communist successor parties often participate in surplus coalitions and receive a smaller number of ministerial portfolios than they deserved according to their seat share (see also Savage 2016).

In addition, Grzymała-Busse (2001) shows that the regime divide between Communist successor parties and their oppositional competitors serves as a superstructure of coalition formation in the post-Communist democracies of Central and Eastern Europe. This divide overshadowed other determinants of government formation in the region and predicted the outcome of coalition bargaining better than the formal office- and policy-based theories (see also Savage 2016). However, this effect has decreased over time because new politicians gradually replaced old elites and Communist successor parties are evaluated by their policy rather than their Communist identity (Grzymała-Busse 2001, 89; Kropp 2008, 526; Savage 2016). Savage (2016, 526) finds, however, that the regime divide has not lost all its power even after the turn of the millennium.

Another prominent context factor that affects party competition and the transformation process in post-Communist Central and Eastern Europe more broadly is

the role of the EU (Kropp, Schüttemeyer, and Sturm 2002b, 32–33; Vachudova 2005; Raunio 2009; Vachudova and Hooghe 2009; Haughton 2011; Börzel and Schimmelfennig 2017; Bochsler and Juon 2020). The shared goal of EU membership, for instance, provided the glue which held together the broad anti-Mečiar coalition in Slovakia in 1998, after the EU had threatened to put the accession negotiations on hold in case the prime minister remained in office (Pridham 2002; Vachudova and Hooghe 2009, 201). In Romania, too, the goal of ensuring the country's EU accession contributed to PDSR's decision not to renew the coalition with the radical right PRM in 2000 (Cinpoeş 2015, 288).[4] Research on the impact of the EU on democratic consolidation and party politics in Central and Eastern Europe suggest that the EU's leverage was strongest before the countries joined the EU (Vachudova 2005; Haughton 2011; Börzel and Schimmelfennig 2017; Bochsler and Juon 2020). In particular during the period of formal accession negotiations, when the majority of Central and Eastern European parties and the public supported EU membership (Beichelt 2004, 44–45; Vachudova 2005, 74, 237), Euroscepticism could reduce parties' coalitionability (Kropp, Schüttemeyer, and Sturm 2002b, 33). In these years, few radical right—and typically Eurosceptic—parties managed to enter parliament, which suggests that the EU had an electoral impact on party competition with radical right parties in Central and Eastern Europe before the government formation stage.

3.2.4 Summary

The literature review demonstrates that research on coalition formation has generated a deep reservoir of cumulative knowledge (Laver and Schofield 1998; Kropp, Schüttemeyer, and Sturm 2002b; Müller, Bergman, and Strøm 2008). The formal coalition-centred theories, in particular the office-oriented minimal winning proposition and the policy-oriented minimal connected winning and minimal range propositions, continue to provide valuable insights into coalition formation across Europe. However, non-formal coalition-centred and party-centred theories as well as the inclusion of context factors have helped not only to better explain the format of government coalitions but also their exact partisan composition.

In a widely recognised study on coalition formation in Western Europe, Martin and Stevenson advanced a comprehensive statistical model that was able to explain the composition of about half the coalitions. They considered this a great success

4 In Western Europe, the case of Norway tells a similar story. In the aftermath of the negative referendum on EU membership in 1972, different positions on EU membership prevented a centre-right government from forming (Jahn 2002, 232). A more recent study also provides some empirical evidence for the impact of EU membership on coalition politics in Denmark (Juul Christiansen and Brun Pedersen 2012).

"given that in most of the bargaining situations […] hundreds – and frequently, thousands – of coalitions could potentially form a government" (Martin and Stevenson 2001, 47). At the same time, however, they note that a general theory of government formation that connects all the individual elements of their model is still missing (Martin and Stevenson 2001, 48–49). Other authors have been more critical and argued that this model is "lumping together two dozens of variables drawn from three main schools […] and therefore lacks parsimony and internal consistency" (de Winter and Dumont 2006, 180). Regardless of the theoretical connection of the individual elements, these observations demonstrate that government formation is a complex process, the outcome of which depends on the interaction of a large variety of factors.

The discussion in this chapter has provided an overview of explanatory factors and assessed the empirical evidence to determine their impact on government formation in Western and Central and Eastern Europe. The results of this discussion are summarised in Table 3.1, which lists the individual theories and explanatory factors while also indicating whether the empirical support found in the literature is present, absent, or inconclusive. The overview indicates that many of the theories that emerged from research on Western European democracies provide insights into coalition formation in Central and Eastern Europe as well.

The most striking similarity between both parts of Europe concerns office-oriented explanations of the format of coalitions and the participation of individual parties in government. The minimal winning proposition and parties' electoral results are key determinants of coalition formation in Western and Central and Eastern Europe. The median party proposition that combines parties' pursuit of office and policy also finds empirical support across the continent. Moreover, incumbency has an effect on the format of governments and the chances of individual parties to enter coalitions across Europe. However, the direction of the incumbency effect is often negative in Central and Eastern Europe, where incumbent parties and coalitions tend to suffer severe losses at the polls.

Table 3.1: Explanations for government formation and their empirical support in Western and Central and Eastern Europe

	Western Europe	Central and Eastern Europe
Coalition-centred explanations		
Minimal winning coalition	+	+
Minimum number of parties	o	+
Minimum winning coalition	-	-
Minimal connected winning coalition	+	-
Minimal range coalition	+	o
Incumbent coalition	+	+
Party-centred explanations		
Seat share	+	+
Electoral gains/losses	+	+
Median party	+	+
Ideological proximity to formateur/median party	+	o
Political experience	o	-
Member of incumbent government	+	+
Party organisation	+	o
Context factors		
Electoral system	+	+
Investiture vote/positive parliamentarism	+	o
Fragmentation of the party system	o	o
One party near majority	+	-
Two-party dominance	n.a.	+
Polarisation of the party system	o	o
Bipolar opposition in the party system	+	+
Regime divide	does not apply	+
EU conditionality	+	+

Source: Own composition, based on de Lange 2008, 101–2.
+ and – indicate the presence or absence of empirical evidence for an impact of the respective factors on coalition formation; o denotes mixed or inconclusive findings; n.a. indicates that there was no information available.

The empirical findings in the literature differ between Western and Central and Eastern Europe most evidently regarding the impact of ideological preferences on coalition formation. The coalition-centred minimal winning and minimal range theories are tested less frequently in Central and Eastern Europe and if so, they explain a substantially lower share of coalitions than in Western Europe (Grotz and Weber 2011; Bergman, Ersson, and Hellström 2015; see also Savage 2016; Bergman, Ilonszki, and Müller 2019b). Döring and Hellström (2013) come to a similar conclusion regarding the impact of parties' ideological positions on coalition membership. All these studies use the traditional left-right dimension to account for party ideology. Only one study that applies a context-sensitive approach and constructs a left-right dimension based on the most salient issues in each country comes to a different conclusion (Savage 2014). Based on such conceptualisation of the ideological space, Savage finds strong evidence for an impact of parties' ideological positions on government formation in Central and Eastern Europe as well.

Thus, if the specific features of the ideological space in Central and Eastern Europe (see Chapter 2.2) are taken into account, party competition and coalition formation seem to follow fundamentally similar rules in Western and in Central and Eastern Europe. Whether parties enter government or remain in opposition depends on similar trade-offs between policy, office, and votes across the continent. These trade-offs might take a different shape depending on the regional context, but this context can differ between countries within Western or Central and Eastern Europe as much as between both regions (Mitchell and Nyblade 2008; Bergman, Ilonszki, and Müller 2019b). The discussion has shown, for instance, that the influence of the institutional setup or the configuration of the party system can be quite specific in every country. However, as has already been highlighted in Chapter 2, there are some context-specific features that exist in most Central and Eastern European party systems, such as the regime divide. Hence, when attempting to explain government formation with radical right parties in this region, the present study can draw on established theories of coalition formation, but must take the interaction of different explanatory factors as well as the specific features of the regional context into account.

The remainder of this chapter takes a closer look at the limited body of research on government formation with radical right parties in order to ascertain, whether there are additional explanations to be considered with particular regard to the government participation of this party family.

3.3 Government formation with radical right parties

Most research on government formation with radical right parties focuses on Western European democracies. Since the 1980s, many radical right parties have entered

parliament in Western European democracies. It took several years, or even decades, however, before they lost their pariah status and were invited to become junior partners in government (de Lange 2008). In most Western European countries, radical right parties are no longer ostracised, but have gradually become "normal" political competitors. Therefore, de Lange concludes, "although some have interpreted the government participation of radical right-wing populist parties as revolutionary, in fact it is merely the logical consequence of the electoral growth of these parties" (de Lange 2008, 224).

Consequently, de Lange (2008) shows that coalition formation with radical right parties follows a similar logic as coalition formation in general, and similar theories explain why they enter government or remain in opposition. She demonstrates, for instance, that two-thirds of the coalitions with radical right parties in Western Europe are correctly predicted by either the minimal winning, the minimal range, or the minimal connected winning theory. Among these three formal theories, the minimal range proposition exhibited the greatest explanatory power, producing fewer equiprobable results and better explaining the non-membership of radical right parties in coalition governments than the other two (de Lange 2008, 154–55). She concludes that the "minimal range theory clearly outperforms the other formal coalition formation theories and therefore offers the best explanation for the formation of government coalitions in which radical right-wing populist parties have participated. The theory suggests that policy ranges of coalitions are the paramount factor when parties evaluate the coalition alternative" (de Lange 2008, 155).

De Lange's party-centred analysis confirms the important role of office and policy in coalition formation with radical right parties. The seat share of radical right parties and their ideological distance to the formateur are significant predictors of government participation (de Lange 2008, 118–19). Moreover, Zaslove (2012) shows that the organisational strength and stability of radical right parties helps them to enter government in Western Europe. More precisely, he argues that centralised leadership and the capacity to mobilise support in civil society, as well as maintaining an oppositional appeal while being in government, are crucial characteristics for radical right parties who wish to continue participating in government.

On a structural level, increasing polarisation within Western European party systems contributes to the government participation of the radical right. Bale (2003) and de Lange (2012) highlight two factors related to radical right parties, and the strategic reactions of their mainstream competitors, which facilitate their ability to gain executive power (see also Zaslove 2012): First, the increasing electoral support for radical right parties often places them in a pivotal position within the conservative camp because mainstream conservative parties depend on their votes if they want to form a centre-right majority coalition. Otherwise, these parties find themselves in the undesirable position of cooperating with centre-left parties, and this is only possible when polarisation is mild enough to make such a grand coalition

viable. Second, radical right parties managed to politicise their socio-cultural core issues, particularly immigration. Centre-right mainstream parties often applied an accommodative strategy and incorporated the policy positions of the radical right into their own platforms, which contributed to the polarisation of party systems and helped normalise radical right parties and politics (Meguid 2005, 2008).

Government formation with radical right parties in Central and Eastern Europe has received limited scholarly attention so far. Minkenberg (2017) offers a descriptive analysis of this issue in his volume on the radical right in Central and Eastern Europe. He points out that, in contrast to Western Europe, some radical right parties entered coalitions "only a few years after the part[ies] had been formed or shortly after the onset of democratization" (Minkenberg 2017, 129). Moreover, these parties became junior partners in coalition governments with both centre-right and centre-left parties in Central and Eastern Europe.

Fagerholm (2021) seeks to explain why radical parties are included in, or excluded from, government in Western and Central and Eastern Europe. His study on radical right and left parties highlights that government formation with radical (right) parties is a complex phenomenon that requires multicausal explanations. He identifies various combinations of different office- and policy-related factors which explain the government participation of radical parties. They participate in government, for instance, if they make electoral gains and face an electorally weak and ideologically compatible formateur. In some cases, radical parties also enter government if their policy positions are rather distant from those of the formateur, but only if both parties are located on the same side of the ideological spectrum (Fagerholm 2021, 270–71). If the formateur and the radical party are on opposite sides, the radical party remains in opposition (Fagerholm 2021, 273–74).[5]

Fagerholm (2021, 274) acknowledges, however, that the results of his study cover only a limited share of the instances of government formation with radical parties in Europe. The explanations for their inclusion in government is predominantly based on cases from a few countries, particularly Latvia. His explanation for the exclusion from government, in contrast, is better suited for radical left parties and Western Europe. Hence, the author concludes that "although the models provide intriguing explanations of single cases, it is unlikely that they are able to tell us much about general European trends" (Fagerholm 2021, 274).

Despite Fagerholm's (2021) pioneering work, much about government formation with radical right parties in Central and Eastern Europe remains to be discovered.

5 However, this factor alone is not a sufficient condition for explaining the exclusion of radical parties from government. In the sufficient solution paths, it is combined with either a too small or too large seat share of the radical parties in parliament, a moderation of their ideology and losses at the polls, or large ideological distance to a strong formateur (Fagerholm 2021, 273–74).

The limited body of research on the topic suggests that the explanations for radical right parties' inclusion in, and exclusion from, government are similar to those of the formation of governments in general. Whether these parties get into power depends on their own agency and that of their competitors, which is based on the trade-off between policy, office, and votes, as well as on the constraining and facilitating effects of the context in which these parties operate. This chapter has pointed out which of the explanations of government formation received the most empirical support in Central and Eastern Europe, and with regard to radical right parties. It has thus laid the foundations for developing an analytical model in the following chapter.