ABSTRACT: Uncertainty, or a lack of crucial political information such as the distribution of voters’ preferences or the composition of future competition, is a hallmark of postcommunist elections. This paper examines the influence of uncertainty on the renovation of electoral systems in 17 postcommunist countries. The work looks beyond the usual focus on district magnitude to examine changes to auxiliary rules that shape coordination and cooperation among political elites and alter the choices presented to voters. The analysis shows that uncertainty 1) discourages changes in district magnitude, 2) shifts rule changes to auxiliary rules with more predictable effects, and 3) alters the decision rules that politicians used to select changes.


Since their founding elections most postcommunist states have engaged in a systematic renovation of their electoral institutions. Some of these changes are profound as in Kyrgyz Republic, Georgia, Ukraine and most recently Russia where legislators swapped existing systems for entirely different structures. Other states made more subtle changes. Almost all of these states raised their electoral thresholds, or the percent of votes that parties needs to win to secure seats in their legislatures. Many altered the fine print rules that govern how candidates and parties secure ballot access or establish the amount and sources of funds allowed over the course of the campaign.

These changes challenge the notion that institutions matter to explain outcomes in transitional regimes. After all, if institutions can be changed at the drop of a hat then they are not binding on political actors nor do they provide durable incentives to guide political behavior. Changes in electoral rules are particularly telling in this regard since they influence a wide range of outcomes from winners and losers to the structure of political parties and party systems, and finally, successful democratic consolidation.
Yet, evidence of institutional change does not negate the efficacy of institutional explanations in transitional states for a number of reasons. Although much more difficult to track, there is significant evidence of legal changes have been discussed or introduced in the parliament and ultimately rejected in almost all of these countries (Benoit and Hayden 2004; East European Constitutional Review 2000; Freedom House Report 2002; Remington and Smith 1996). These failures demonstrate that some rules, under some conditions do matter and are extremely durable while others are easily changed. Likewise, the range of rules changes has been extremely broad, encompassing wholesale shifts in electoral institutions to changes in relatively obscure regulations suggesting different strategies for institutional innovation. Finally, the fervor with which legislators and executives contest rules changes suggests a deeply held belief that they do matter for outcomes. Placed in the broader context, changes to electoral systems in postcommunist states suggest that critical questions for understanding political behavior in new democracies are not whether or not institutions matter, or whether or not they endure, but the conditions that lead to different types of institutional adjustments. In terms of electoral rules, the question is when legislators vote to alter electoral institutions and where in the labyrinth of guidelines do they focus their attention.

This question leads smack into a second thorny debate that has gained momentum in the study of postcommunist politics: the role of uncertainty in political outcomes in general and institutional design in particular. Uncertainty is the buzzword of these transitions. The simultaneous changes from command to market economies and authoritarian to competitive, but not yet democratic, political systems generated a great deal of uncertainty at every level of politics from the value of individual labor and training in the new economy to the likelihood of democratic consolidation. In the electoral arena, uncertainty translates a lack of shared understanding of voters’ preferences over parties and candidates and the number and strategies of parties and candidates in subsequent elections. Absent this information, predicting future electoral outcomes or the effect of rule changes is not easy.

In light of this difficulty, this paper focuses in on the narrower question of how uncertainty influences changes in electoral rules in the postcommunist cases. The explanation of electoral rule change incorporates uncertainty into the explanation. The evidence shows that uncertainty has three distinct influences on rules changes: 1) uncertainty decreases the instance of macro-institutional, or system level change; 2) uncertainty increases the range of changes considered by legislators, shifting focus from the macro-system to the fine print rules; and finally, 3) uncertainty alters the decision rules that politicians use to guide their thinking about rule changes.

**Uncertainty, Electoral Rules and Institutional Change**

Electoral rules provide important incentives for coordination and cooperation among and between elites and voters. Those incentives rest on the information that electoral rules convey about the efficacy of different strategies that political actors use to pursue their goals and the probability that these strategies will lead to success. At the core of strategic choice is the decision to or join a political party (cooperation) in pursuit of political goals or to engage in strategic entry or strategic voting (coordination).

It is useful to think of electoral rules—and the incentives that they embody—as being permissive or restrictive. Permissive systems encourage entry and competition of a larger number of parties that are dispersed across the policy space. Restrictive systems
encourage coordination around a smaller number of contestants by discouraging those who do not have good chances of winning to forego running. This winnowing of candidates can occur through coordination (strategic entry) or cooperation in the form of bargains among party organizations. Restrictive rules also draw candidates toward the center of the political space in order to maximize the probability of winning.

Two distinct sources of uncertainty blur the information conveyed by electoral rules, subsequently undermining coordination and cooperation. The first two sources of electoral uncertainty are well defined in the literature: a lack of shared information about voters' preferences and about the nature of the competition in the next election (Andrews and Jackman 2005; Shvetsova 2003). The general assumption is that this type of uncertainty can be resolved through repeated elections as contestants begin to understand what voters want from elected representatives and how this translates into electoral support and voters learn about contestants' positions and the value of electoral promises. Yet, the amalgamation of shared information is not a sure bet. When parties are not institutionalized and the party system is volatile, the structure of competition changes with each election making it almost impossible to draw reliable inferences about a candidate's or party's electoral power from one contest to the next. Likewise, if the logic of electoral competition is mixed, that is some parties run on issue based platforms, others on their leaders' reputations, and still others on the control of patronage resources, the problem of interpretation of past results is even more complex (Smyth 2005). These conditions closely approximate competition in many post-communist states.

Uncertainty, or the lack of shared knowledge or expectations about present and future electoral outcomes, can be measured in a number of ways. Figure 1 depicts changes in the most common measure of electoral uncertainty between 1990 and 2004—the level of electoral volatility. This measure varies from 0 to 200 and captures the total shift in votes among individual organizations in the party system. The figure shows the level of volatility by each election since founding elections in the early to mid-1990s. The figure illustrates significant variation in volatility over time and across cases and demonstrates that electoral experience is not resolving the information dilemma.1

However profound the sources of uncertainty are in the post-communist cases, they are compounded by a lack of shared information about key intervening factors that shape elite responses to electoral rules: the goals of political elites and the distribution of resources available to mount campaigns. By and large, these factors are not as critical in established democracies since strong political parties tend to limit and clarify the range or influence of these variables. Absent a stable party system, any accurate assessment of the future impact of rules or the effects of rules changes rests on the interaction between shared information, goals and resources and the incentives codified by electoral rules.

Combined, these two sources of uncertainty make it extremely difficult to predict individuals' responses to the rules that shape the choices elite actors offer voters and voters' responses to those choices. Put differently, it is difficult to assess the impact of rules changes on patterns of coordination and cooperation on the elite level much less on

1 The volatility variable summarizes a number of different types of information from the realignments among existing organizations to the rise and fall of existing parties and coalitions or the emergence of new parties that provoke a wholesale dealignment. Future work will consider finer measures of uncertainty to capture different types of information available to institutional architects.
voters’ behavior. As a result, anticipating the impact of rules changes is extremely difficult. The problem is exacerbated by the intermediary role that parties play in electoral politics. Candidates face a chicken and egg problem for ambitious politicians—they don't want to invest in parties or coalitions without good information about their long-term viability and they can't discern that viability in the absence of stable parties. The result is a great deal of party switching, anti-party campaigning, and independent candidacies. How these dilemmas are resolved is important for the quality of democracy in the new regime.

Given the lack of shared information at the point of founding elections in most post-communist countries, these cases provide scholars with an important opportunity to explore the effects of extreme uncertainty on a range of political outcomes from individuals' electoral strategies, to rule changes, party system stabilization and ultimately, democratic success. The growing literature on institutional choice—and specifically the literature on the selection of electoral rules—provides some guidance about how and when the strategy of rule innovation might be invoked by ambitious politicians seeking to maximize their own success in electoral arena. The literature on the effects of uncertainty on the choice of electoral institutions provides some insight, and key hypotheses, regarding the process of electoral rules innovation in the unstable period of democratic consolidation.

**The Impact of Uncertainty on Electoral Rule Renovation**

Recent contributions to the selection and innovation of electoral rules provide the broad outlines of an elite bargaining model but differ on the incorporation and effect of uncertainty on institutional choice (Andrews and Jackman 2005; Benoit 2004; Boix 1999; Colomer 2004; Jones Luong 2002; Shvetsova 2003). The fundamental assumption across these models is that actors choose institutions in order to maximize electoral success. Since the locus of change occurs within the legislature, the key actors are legislative party factions. Actors assess the costs and benefits of potential changes in terms of their own welfare, weighting these against the barriers of change and the potential costs of changes in terms of lost influence in the legislature. The tendency of this model is toward stasis since institutional change requires agreement among a majority of legislators and those legislators are presumed to be the beneficiaries of existing rules.

This general model institutional selection underscores that electoral institutions are endogenous to the context in which they are chosen—the balance of forces, number and type of participants in the negotiation process, and the internal cohesion of groups. Contextual influences enter the model in a number of different ways from defining the costs and benefits of different bargaining strategies to assessing impact of changes for a particular party or coalition. The literature focuses in on uncertainty as a core contextual variable to explain electoral rule renovation in postcommunist transitions.

**Uncertainty: Explaining the Frequency and Type of Electoral Rule Change**

The consideration of uncertainty raises three distinct disagreements about how a lack of information shapes incumbents’ efforts to use institutional change as a strategy to secure electoral support. The debates target three different aspects of the relationship

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2 For a discussion endogenous electoral institutions see Benoit (2004) and Shvetsova (2003).
3 This argument is consistent with Jones Luong (2002) who demonstrates that both strategic behavior and structural factors were critical for understanding the selection of electoral institutions across Central Asia following the collapse of the Soviet Union.
between uncertainty and rules changes: the impact of information deficits on incumbents' use of rule changes to pursue political goals, the types of changes that they enact, and the decision rules they rely on to make those changes.

---Table 1 About Here---

Table 1 begins the exploration of institutional change by reporting alternations in seven distinct features of electoral systems. Changes are reported on two levels: by election and by country. The premise is that as the balance of power in legislatures changes from election to election, there is an opportunity to change the rules to advantage the incumbents. By this metric, while change does occur it is relatively infrequent except in cases of electoral thresholds and state financing rules. The second column reports changes by country and shows that these changes are not concentrated in a small number of very unstable cases but are spread across the cases. While this table does not report changes over time, it is important to note that the changes here are not clustered in the first or second elections after the founding but extend through the fourth and even fifth contests that are held in the new competitive systems.\(^4\)

The evidence is divided into two types of rule changes. The first three categories changes reflect the core features of electoral system rules: system change, change in district magnitude, and change in seat allocation formulas. Only three countries in this sample traded in their electoral systems for an entirely different structure. Fundamental changes within the same broad outline of rules were more common. Given the chance, legislators altered district magnitude nine times in seven countries and seat allocation formulas seven times in seven countries.\(^5\) This pattern does not suggest a wholesale effort to correct missteps in institutional selection. However, the bigger picture does suggest frequent and varied institutional renovation.

The latter four changes reflect auxiliary regulations or fine print changes that are often found in supplemental legislation such as laws on political parties or the use of media. These rules alter incentives for coordination among elites by creating barriers to entry for new parties or disproportionate aid to incumbent or large parties. By far the greatest frequency of change, in terms of instances and in countries, is an increase in the electoral threshold or the percent of votes that parties need to receive to win seats in the legislature. In addition, seven countries implemented higher thresholds for coalition organizations, some coalition thresholds going progressively higher as the number of parties included in the coalition increased. Coalition thresholds originated from the postcommunist transitional context as a mechanism to undermine political opposition by raising the costs of coordination among parties. For example, Slovakia demanded that a four party coalition achieve 20 percent of the vote in order to secure seats in parliament. The move had the effect of busting the right coalition that had challenged the governing party. In other cases, coalition thresholds were used to challenge Communist successor organizations on the left. Changes in auxiliary rules governing access to media were relatively common. Increasingly biased rules on the allocation of state funding to larger incumbent organizations were carried out in half of the cases.

\(^4\) This pattern of change defies Colomer's (2004) proposition that change is more likely the closer to the adoption of the new system.

\(^5\) With one exception, the changes in seat allocation formulas in this sample were all in the restrictive direction providing an advantage to larger party organizations. The clear bias in these formulas suggests that changes in these rules might look more like changes in threshold than changes in district magnitude.
Table 1 speaks to the three core debates about the effect of uncertainty on electoral rule renovation. The first disagreements focus on the effect of uncertainty on the frequency and locus of election rule changes. Kenneth Benoit (2004) argues that uncertainty stifles innovation because it is difficult for actors to engage in a cost-benefit analysis or sell those changes to other actors. In contrast, Olga Shvetsova (2003) observes that uncertainty leads to increased attempts to alter institutions. According to this logic, uncertainty at the point of rule selection generates frequent missteps in parties’ calculations and that once these miscalculations are revealed, the same parties should move to correct them. The distinction is captured in the following propositions.

H1a: Electoral uncertainty stifles rule renovation.
H1b: Electoral uncertainty increases the likelihood of rule renovation.

The evidence in table 1 suggests that the propositions are overdrawn. The effect of uncertainty is different for different types of decisions. Where the effects of change or the bias that they introduce are clear such as increases in thresholds that target small parties uncertainty does not appear to stifle change. In changes with less predictable consequences, such as wholesale shifts in system uncertainty does seem to have an effect. Changes in district magnitude provide a good test of these propositions because of their importance in shaping electoral behavior. To examine the effect of uncertainty on a core element of electoral rules, figure 2 reports the results of a simple bivariate logistic regression that shows that the greater the uncertainty the less likely it is that parliamentarians will adopt changes in district magnitude.

Yet, this regression cannot rule out that the relationship is driven by omitted political variables such as the preferences of the largest party, the composition of the governing coalition, and the nature of the opposition. In order to explore this possibility and to mediate between competing explanations for rule changes in the existing literature, the next section tests a more complete model to explain three types of changes: district magnitude, party-level electoral thresholds and state financing regulations.

Before turning to that analysis, table 1 can also shed light on a second proposition in the literature. Shvetsova (1999) suggests a second proposition about the focus of change in uncertain systems arguing that the difficulty in predicting changes in the meta rules pushes elites to tinker around the edges of the system—changing minor aspects of the rules—in order to improve their situations. These changes prompt coordination around larger organizations or incumbent organizations but at the same time their effects are more predictable, they punish small parties and new party organizations.

H2: Uncertainty increases the likelihood of fine print changes and decreases the likelihood of meta-rule changes.

To address this proposition, this work extends the dependent variable to consider fine print changes: electoral thresholds, state finance regulations, and media access. While these latter institutional innovations can seem trivial they are critical for two reasons. First, they defy the expectation that institutional innovation will be rare or will only occur when one party or coalition dominates the political landscape. Second, these changes often appear to be contractarian bargains—with disparate legislative parties...
joining together to increase their welfare by generating a bias toward incumbent parties, even if it disproportionately helps the largest of those organizations.

The logic for implementing these changes over system-level changes is straightforward. While changes in electoral systems or district magnitude alter the incentives for goal-oriented individuals to coordinate efforts to win office or cooperate to build party organizations, contextual factors such as dispersed political resources or a lack of shared information can counter these incentives or lead to unexpected consequences (Smyth 2005). In other words, in the face of uncertainty system-level changes are very blunt instruments to ensure support for specific party organizations. A rise in district magnitude may attract new entrants that steal support from incumbent organizations. A decrease in district magnitude may crowd out incumbent organizations.

In contrast, changes in ballot access rules or limits on sources of campaign funds are not distorted by contextual factors—they provide clear information about the advantages that are allowed incumbent and larger parties. As a result, ambitious politicians invest in building these organizations in order to pursue electoral goals. The logic for this pattern is relatively straightforward. These changes raise doubts about the viability of smaller parties by 1) making it increasingly difficult for new parties to obtain ballot access, and 2) skewing electoral resources in favor of these organizations. Thus, they provide incentives for potential candidates and party leaders to stick with incumbent organizations, and in some cases, they throw their hats in with larger organizations.

Changes in the fine print of electoral rules are attractive strategies for incumbents because they are easier to implement: the process of change is transformed from a zero sum bargaining situation to one in which many, if not all, incumbent actors can gain by eliminating potential competition. Likewise, changes in fine print regulations result in more predictable adjustments in the relationships between candidates and parties and more generally, parties in government and parties in the larger system.6

Are fine print rule changes more common than meta-rule changes? Yes but the evidence presented in table 1 suggests the effect of uncertainty varies by the type of changes under consideration. While changes to systems and seat allocation formulas are uncommon, changes in district magnitude rise to the level of alterations in media access rules and coalitional threshold changes. Still, changes to the party threshold and state funding rules are much more common and are adopted by a greater number of countries suggest support for Shvetsova's expectations regarding the locus of change although the role of uncertainty in these decisions is clarified below.

The catalog of changes summarized in table 1 suggests that altering electoral rules is more complex than it seems at first glance. Some rules are more open to change than others. Uncertainty seems to influence when and how rules are changed differently depending on the changes under consideration. To explore these nuances, the next section presents a multivariate analysis of rule changes that mediates between existing explanations and controls for the effect of political uncertainty.

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6 It is important to note that strategies do not guarantee electoral success for specific parties. Changes in electoral rules alter the supply side of the party system and subsequently, the nature of choices available to voters. Voters' responses to this change in options present a opportunity for future work.
Debating Decision Rules: The Effect of Uncertainty on Legislators’ Decisions to Alter Electoral Institutions

The third point of debate among scholars who study institutional selection is the effect of uncertainty on the decision-rules that guide institutional choice. Carles Boix (1999) and Josephine Andrews and Robert Jackman (2005) set out two distinct decision rules in their competing explanations of institutional choice in West European democracies in the early part of the 20th century. In his study, Boix finds strong support for the proposition that governing parties select electoral rules based on assessments of their voting getting power relative to the competition. If the governing party is faced with strong, unified opposition then it accepts proportional systems as a means of preserving some influence. Conversely, when the opposition is weak the governing party maintains a majoritarian system to maximize its own influence.

H3: Incumbent legislators choose electoral systems based on the cohesion of the governing coalition and strength of the opposition

In contrast, Andrews and Jackman argue that uncertainty about future support drives decision-makers to eschew a complicated calculation for a much simpler decision rule: if the largest parliamentary suffers a seat penalty due to disproportionality then that group will vote for rules changes that address this penalty. They may support proportional representation over plurality rules or increase the district magnitude of PR races in order to maximize the seats they achieve from the same number of votes. Their evidence based on the same universe of cases as Boix's work suggests that this simplified model of change that indirectly accounts for uncertainty in the structure of the decision rule regarding institutional change, is a better predictor of institutional change than the more complex model.

H3b: Incumbent legislators choose electoral systems based on the disproportionality of votes/seats of the largest party

A third possible explanation set forth in this work is that uncertainty itself is an explanatory factor, influencing the decisions to invoke rule change as a strategy to maintain electoral support. Consistent with the previous discussion, at the margin of political variables, uncertainty should decrease the likelihood of changes to the meta rules and increase or, at least not deter, efforts to change the more predictable fine print rules.

H3c: Uncertainty will decrease the probability of change in meta-rules but not in fine print rules

The analysis proceeds in two sections. The first set of equations explores the relationship between political variables, uncertainty and the decision to alter district magnitude. The second set of equations applies the same models to changes in electoral threshold and changes in state finance rules.

Explaining Changes in District Magnitude

The analyses below cover the same sample of 17 postcommunist countries from the point of founding elections through 2004. The sample reflects the goal of explaining

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rules changes in the midst of consolidation not in the period between democratization and consolidation although I omit cases where electoral competition has been severely compromised by vote fraud or government control. This study is intended to compliment existing work on the initial selection of election rules and to extend that work to better understand how and when incumbent parliamentarians change electoral rules in order to shore up their electoral fortunes (Andrews and Jackman 2005; Benoit and Hayden 2004; Boix 1999; Shvetsova 2003).

The first analysis presented here examines the impact of political and contextual variables on the likelihood of changes in district magnitude. The dependent variable in the first series of logistic regressions is dichotomous: 0 if there was no change in the district magnitude and 1 if there was a change. The independent variables reflect the arguments in the Boix and Andrews and Jackman models but are adapted to the postcommunist context. Their work focuses on a unique change in history in which the expansion of suffrage extended the political space in one direction, to the left of the spectrum. Thus, the political calculation consistently pitted right incumbents against left newcomers. In the postcommunist world, the introduction of electoral competition was not as clean. Universal suffrage altered competition on the right and left. To account for this change I altered the specification of the Boix variables to account for the parliamentary majority coalition (or presidential party in the case of strong semi-presidential systems), and the parliamentary opposition. These variables are defined in table 2.

Table 2 About Here

The key explanatory variable included in Andrews and Jackman's model, the ratio of seats to votes of the largest party, does not need to be altered for this context. A final variable from the existing work, the size of the country, is also included in the regression for completeness although I agree with Andrews and Jackman that it is extremely difficult to interpret in terms of concrete theoretical expectations.

Finally, the two alternative model specifications reported in table 3 include two new variables. The first variable is electoral volatility as a measure of political uncertainty. The second additional variable is a lagged measure of magnitude level. This variable controls for PR systems that treat the entire country as one district and therefore cannot increase district magnitude without changing the size of the legislature.

Table 3 About Here

Considered together the three models in table 3 tell an interesting story. In the first model, a replication of the Andrews-Jackman correction to the Boix model, the evidence supports Boix's original suppositions but the effects of these variables are reversed. As fragmentation of the governing parties goes up changes in magnitude are less likely. Conversely, as the threat increases changes in magnitude become more likely, although the net total effect of Boix's three variables on magnitude is negative for plausible values


8 This formulation of the dependent variable differs from previous work that explained average effective threshold rather than levels of district magnitude. I chose the latter formulation because of the interest in the probability of change. I use the magnitude variable because effective threshold measures demand unrealistic assumptions about the number of parties that compete in each election.
of the variables. This result holds even if the lagged magnitude variable is added as in the second model.

Neither of these specifications directly considers uncertainty in the explanation. To do so, the third model includes an electoral volatility variable. This addition yields significant changes in the findings. The most obvious change is that controlling for uncertainty lends support to the Andrews and Jackman disproportionality rule. That is, as the ratio between seats and votes approaches 1 (or higher given seat bonuses to largest parties) incumbents are less likely to alter district magnitude. In addition, uncertainty itself also decreases the likelihood of change. Consistent with the previous findings, as the effective number of parties in the government coalition or presidential party increases changes to district magnitude become less likely.

While this last finding, may seem incongruous there is a plausible logic to explain the effect. While the smaller parties within the coalition may benefit from an increase in district magnitude, absent good information about new entrants in the next election, it is not easy to guess which of those parties will benefit from the change. Thus, with more players in the coalition it may be increasingly difficult to come up with a bargain over magnitude changes that satisfy all members of the coalition. This argument is consistent with some of the single country party-level analyses of changes in electoral rules (Benoit and Hayden 2004; Remington and Smith 1996).

To interpret these results figure 3 reports the interactive effects of these variables on the probability of magnitude changes. The figure depicts three states of the world where the largest party has low, medium, and high seat to vote ratios. Consistent with the Andrews and Jackman prediction parties that approach proportionality are less likely to incur the risk of changing magnitude, while those that are punished by disproportionality are more likely to make that change. Importantly, as uncertainty increased it dampens the likelihood of change in all cases.

Explaining Changes to Fine Print Rules

To explore whether or not the same logic holds for changes in fine print rules, table 4 reports two addition regressions that explain the decision to increase party-level electoral thresholds and adopt state finance rules that are biased in favor of large parties.

The dependent variables are consistent with model 3 in the previous table. In these cases, I leave out lag because neither party threshold nor state finance bias in favor of the largest parties and incumbent parties is bounded at the top end. I also omit the size of country variable because there is no theoretic justification for including it.

The findings in both regressions support the overall premise that uncertainty plays a different role in the decisions to make these changes than it does in calculations about district magnitude. The volatility variable is not significant in either regression. This result implies that these changes are not contingent on the level of political uncertainty, rather the findings reflect that these renovation result from political calculations. In other

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9 Low levels reflect seat/vote ratios one standard deviation below the mean. High levels reflect ratios one standard deviation above the mean.

10 Including the lag variables does not alter the results presented in the table.

11 The size of country variable is never significant and does not alter the core findings.
words, these changes may be more likely to occur than changes in magnitude precisely because they are not hindered directly by political uncertainty.

The findings also point to different political calculations in regard to these types of institutional alternations. Fragmentation within the governing coalition decreases the likelihood that the legislature will raise the threshold, presumably because some of these parties could fall victim to the new threshold and lose its seats in the next round. In contrast, as the level of threat increases the probability of an increase in threshold also increases. Finally, it is notable that while the largest party seat to vote ratio is not quite significant it changes sign from the magnitude model. This positive relationship between high proportionality and threshold increase may be the result of the seat bonuses that these parties receive from higher thresholds.

To better understand the impact of these parameters, figure 4 illustrates four cases: a single party majority governing coalition with a seat to vote disadvantage, a minority multiparty coalition with the largest party with a seat to vote disadvantage and the same two cases where the largest party has a seat to vote advantage. The graph illustrates two key effects discussed above. The probability of increased threshold is higher when the largest party has a seat to vote advantage and the governing coalition is unified and large.

The final equation in table 4 examines the relationship between these variables and increasing large party biases in rules to allocate state funding. In this model, the proportionality variable is positive and significant signaling that these parties seek to lock in their current advantage through rule changes. If the government coalition is fragmented, the bias is less likely—again the logical consequence of small parties not willing to give an advantage to larger organizations. Likewise, if the existing threat to incumbent parties is very large, they are less likely to implement biased funding changes that could convey an advantage to large, incumbent parties.

Figure 5 provides an interpretation of these findings using the same categories as the previous figure with very similar results. The crucial difference depicted in this figure is that the effect of seat to vote ratios of the largest party have a stronger effect than they do in explaining increases in party thresholds, particularly when the governing coalition is unified and large.

In sum, the decision rules that guide the fine print rules are driven by strategic calculations of parliamentary parties and factions. Information deficits do not impede the adoption of these rules that have clear targets (small and new party organizations) and convey clear information about the viability of new party organizations. Here the Boix variables carry significant explanatory power along with the Andrews and Jackman seat to vote ratio explanation. At least in these cases, they are not mutually exclusive explanations. In contrast, the simpler decision calculus that Andrews and Jackman posit is a better explanation of riskier changes such as changes in district magnitude.

Minimizing Regret: Countervailing Strategies?

The final theory of institutional decision-making posits an alternative decision rule to explain institutional selection. In the introduction to his edited volume, Josef Colomer (2005) argues that when faced with the need to choose the rules that govern electoral competition political elites hedge their bets and choose the most inclusive rules
possible in order to secure a place in government. In the broader sense, this causal logic maps to the support for democratic institutions in new regimes in order that core actors can ensure that even if they lose one round of contestation, that they can have the option to regroup and reemerge in subsequent battles (Przeworski 1986). Just as democracy institutionalizes an acceptable range of uncertainty and a hedge against the costs of future losses so do proportional systems fulfill this role in uncertain electoral contexts.

This theory is consistent with the larger picture presented in this evidence. The findings suggest that the permissive systems adopted in post-Communist are sticky because the goal of staying viable in the face of a volatile electorate remains a primary concern. In other words, the initial conditions that led to the selection of these systems have not changed significantly and so that the logic of institutional remains. Of the few countries that changed the form of the electoral system, only the Kyrgyz Republic moved from a permissive system (PR) to a more restrictive system—a move that was followed by voter riots and a change in government. The same pattern holds for true for district magnitude where all but three changes were in a permissive direction.

The maintenance and deepening of permissive systems makes sense under electoral uncertainty. Restrictive changes in the meta-rules generate costly trade-offs for institutional architects—potential short terms gains versus the possibility of being excluded from the system entirely in the future. A shift from a proportional to plurality system may encourage strategic voting but it is difficult for organizations to know which two parties will be left standing. Coming in third in this context would be tantamount to losing a future position in the party system. Given the risk, it is not surprising that when legislators alter the district magnitude they almost always increase it, thereby shoring up the floor under their continued participation.

Yet, the data also suggests that this theory is incomplete. Within the context of their PR systems, many countries adopted countervailing fine print regulations to foster coordination around incumbent parties, and in many cases the largest of incumbent parties. The pattern of change suggests that electoral rule changes are not independent. An increase in district magnitude was often coupled with or followed by the implementation of a restrictive rule. These changes work in two ways. First they discourage new competition, eliminating an important future threat to under-institutionalized incumbent organizations and second, they provide new information that alters voters’, candidates’ and donors’ perceptions of the viability of incumbent organizations. Fully exploring the effects of rule changes is beyond the scope of this paper but it frames an important area for future research.

**Future Research: Uncertainty, Mobilization and the Quality of Democracy**

The postcommunist cases exhibit significant rules changes that have countervailing effects on patterns of coordination among elites, and potentially, among voters. By and large, changes in district magnitude and electoral system are in a permissive direction, lowering the floor for representation and encouraging a greater range and number of contestants in each race. In contrast, changes in seat allocation formulas, thresholds, funding rules and access to state media are largely in a restrictive direction offering disproportionate benefits to incumbent and, in particular, large parties and creating challenges to new parties. The findings demonstrate that uncertainty influences the frequency and direction of some of these changes but not others.
This analysis also points to a number of remaining questions about the conditions that produce institutional change that suggest an expanded set of dependent variables. This work does not look at changes that directly strengthen the bonds between candidates and parties such as ballot access rules that require party membership and electoral thresholds for independent candidates. Evaluating such changes is crucial to understanding the evolution of the mixed electoral systems that are common to these cases. Finally, my approach does not consider the influence of non-governmental organizations that have taken a leading role in the sculpting of electoral rules across the postcommunist states. The cases used in this analysis provide an opportunity to measure the impact of this advice on the propensity for rule changes as well as the impact of changes on successful democratic consolidation.

This work also stops short of systematically evaluating the effects of changes in electoral rules. There is some evidence that institutional renovation is playing an important role in party system stabilization by restricting the choices presented to voters (Birch 2004; Tavits 2004). Yet, there are trade offs that are inherent in institutional-induced stability. First, there is a potential for rules to continue to evolve as the preferences of legislative incumbents change. Second, rules that manufacture stability by limiting competition can undermine representation if existing parties do not adapt to changing citizens’ demands.

It is also important to understand the larger implications of changes in electoral rules. The range of outcomes is very broad. In some cases, an institutional constraint strategy can lead to the emergence of dominant political parties as in Russia, Moldova, and Belarus. In other cases, the limits on vote choice may help voters to overcome collective action dilemmas and use their votes to secure effective representation as in Hungary and Latvia. Systematic research that controls for other plausible explanations of stabilization can confirm these trends and identify the features of institutional change that are most likely to provoke stability.

There is growing evidence that the party organizations that are emerging in postcommunist states are very different from the canonical mass party organizations that emerged from the transitions in West Europe in the early 20th century. These parties resemble the cartel party model articulated by Richard Katz and Peter Mair (1995), characterized by weak connections to voters, state dependence, and amorphous party programs. The nature of the linkages between citizens and representatives within these types of organizations may have significant implications for trust in government, policy outcomes, and regime stability (van Biezen 2002).

Finally, while uncertainty is an important influence on political behavior in this set of new democracies, it does not always determine behavior or preclude strategic calculations by political actors. Rather, the effect of uncertainty in new regimes is more nuanced and variegated than we might expect. Understanding when and how uncertainty shapes political behavior, and the long-term effects of these decisions, provides grounds for theory building with important implications for democracy assistance efforts and for understanding paths to democratic consolidation.
Appendix A


Coding of the dependent variables was based on a wide variety of sources.

**Electoral Systems:** To code changes in electoral systems, I relied on the World Bank Indicators Data Set and IDEA and EPIC project as well as individual translations of electoral legislation.

**District Magnitude:** Seddon et. al. "Particularism Around the World Data Set," provided data on district magnitude. Where there was missing data district magnitude was calculated by the author according to the Seddon model.

**Seat Allocation Formula:** To code changes in electoral systems, I relied on the World Bank Indicators Data Set and IDEA and EPIC project as well as individual translations of electoral legislation. Formulas were coded on a four-point scale from most proportional to most disproportional consistent with the argument in Benoit (2000).

**Electoral Thresholds:** Threshold levels were taken from the World Bank Indicators Data Set and confirmed by examining translations of election laws and OSCE, IFES Country Reports. In addition I relied on both the EPIC project and IDEA data sets to confirm these levels.

**Fine Print Regulations:** The coding of state funding and media access regulations was based on IDEA and EPIC data for the current period and traced through translations of electoral rules (Parliamentary Electoral Laws, Laws on Political Parties, Constitutional provisions and their amendments). Each variable was coded on the following scale: 0 no change to the regulation, 1: equal support or access for all parties; 2: support or access biased in favor of incumbent parties; 3: support or access biased in favor of larger parties. Where the law remained the same in structure but increased the level of support or strengthened the bias in favor of incumbents or large parties the next year was coded as a 2.5 or 3.5.

**Independent Variables**

**Uncertainty** – Uncertainty is measured as the level of volatility (change in votes across parties in the last election). The volatility measure varies between 0 and 200. Calculated by the author from election results.
Seat to Vote Ratio of the Largest Party - This measure is the proportion of seats to votes to the largest party organization. It includes seat bonuses accrued by these parties due to electoral thresholds. Calculated by the author from election results.

Percent of Votes to the Governing Coalition – In parliamentary systems, this variable included all parties in the governing coalition. In strong semi-presidential systems this was coded as the percent of votes the President's party or party of power.

Effective Number of Parties of the Opposition – This variable is the measure of the effective number of parties not included in the governing coalition.
Works Cited


"Endogenous Selection of Institutions and their Exogenous Effects,"  

Smyth, Regina. Candidate Strategies and Electoral Competition in the Russian  
Federation: Democracy Without Foundation, New York: Cambridge University Press,  
2005.

Tavits, Margit. "The Development of Stable Party Support: Electoral Dynamics in Post-  
301.

pp. 701-722.
Table 1. Changes in Electoral Institutions, Post-Founding Election

<table>
<thead>
<tr>
<th></th>
<th>Percentage of Elections</th>
<th>Percentage of Countries</th>
</tr>
</thead>
<tbody>
<tr>
<td>System</td>
<td>6.4%</td>
<td>17.64%</td>
</tr>
<tr>
<td></td>
<td>(3/47)</td>
<td>(3/17)</td>
</tr>
<tr>
<td>District Magnitude</td>
<td>19.1%</td>
<td>41.2%</td>
</tr>
<tr>
<td></td>
<td>(9/47)</td>
<td>(7/17)</td>
</tr>
<tr>
<td>Seat Allocation Formula</td>
<td>14.6%</td>
<td>41.2%</td>
</tr>
<tr>
<td></td>
<td>(7/47)</td>
<td>(7/17)</td>
</tr>
<tr>
<td>Threshold (party)</td>
<td>36.2%</td>
<td>70.6%</td>
</tr>
<tr>
<td></td>
<td>(17/47)</td>
<td>(12/17)</td>
</tr>
<tr>
<td>Threshold (coalition or</td>
<td>14.6%</td>
<td>41.2%</td>
</tr>
<tr>
<td>independents)</td>
<td>(7/47)</td>
<td>(7/17)</td>
</tr>
<tr>
<td>Media Access</td>
<td>17.0%</td>
<td>41.2%</td>
</tr>
<tr>
<td></td>
<td>(8/47)</td>
<td>(7/17)</td>
</tr>
<tr>
<td>State Funding</td>
<td>30.4%</td>
<td>47.1%</td>
</tr>
<tr>
<td></td>
<td>(14/46)</td>
<td>(8/17)</td>
</tr>
</tbody>
</table>
Table 2: Adapting Political Variables for the Postcommunist Context

<table>
<thead>
<tr>
<th></th>
<th>Boix (1999) Independent Variables</th>
<th>Postcommunist Independent Variables</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strength of governing incumbents</td>
<td>Effective number of right parties</td>
<td>Effective number of governing coalition parties or presidential parties</td>
</tr>
<tr>
<td>Strength of opposition</td>
<td>The percent of vote to left parties</td>
<td>The percent of vote to opposition parties</td>
</tr>
<tr>
<td>Threat</td>
<td>The interaction between the two variables</td>
<td>The interaction between the two variables</td>
</tr>
</tbody>
</table>
Table 3. Explaining the Change in District Magnitude

<table>
<thead>
<tr>
<th></th>
<th>Change in District Magnitude</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seats/Votes Ratio of the Largest Party</td>
<td>-.10</td>
</tr>
<tr>
<td></td>
<td>(.108)</td>
</tr>
<tr>
<td>Effective Number of Government Parties</td>
<td>-6.81**</td>
</tr>
<tr>
<td></td>
<td>(3.9)</td>
</tr>
<tr>
<td>Strength of Opposition</td>
<td>-.12</td>
</tr>
<tr>
<td></td>
<td>(.08)</td>
</tr>
<tr>
<td>Threat</td>
<td>.10**</td>
</tr>
<tr>
<td></td>
<td>(.06)</td>
</tr>
<tr>
<td>Log of County Size (sq. km.)</td>
<td>-.01</td>
</tr>
<tr>
<td></td>
<td>(.3)</td>
</tr>
<tr>
<td>Volatility</td>
<td>-</td>
</tr>
<tr>
<td>Lagged Magnitude</td>
<td>-</td>
</tr>
<tr>
<td>Constant</td>
<td>7.1</td>
</tr>
<tr>
<td></td>
<td>(5.2)</td>
</tr>
<tr>
<td>N</td>
<td>47</td>
</tr>
<tr>
<td>Chi Square</td>
<td>6.1</td>
</tr>
</tbody>
</table>

*** = p < .01, ** = p < .05, * = p < .10, all one-tail
Table 4. Explaining Changes to Fine Print Rules: Threshold and State Finance Regulations

<table>
<thead>
<tr>
<th></th>
<th>Increase in Threshold</th>
<th>Increase in Resource Bias to Incumbents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Seats/Votes Ratio of the Largest Party</td>
<td>1.2 (1.1)</td>
<td>1.7* (1.3)</td>
</tr>
<tr>
<td>Effective Number of Government Parties</td>
<td>-4.1* (2.6)</td>
<td>-3.4** (1.9)</td>
</tr>
<tr>
<td>Strength of Opposition</td>
<td>-.06 (.06)</td>
<td>-.10** (.06)</td>
</tr>
<tr>
<td>Threat</td>
<td>.064* (.043)</td>
<td>.06** (.03)</td>
</tr>
<tr>
<td>Volatility</td>
<td>-.002 (.01)</td>
<td>.008 (.01)</td>
</tr>
<tr>
<td>Constant</td>
<td>2.4 (3.9)</td>
<td>2.0 (3.3)</td>
</tr>
<tr>
<td>N</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Chi Square</td>
<td>9.0</td>
<td>6.0</td>
</tr>
</tbody>
</table>

*** = p < .01, ** = p < .05, * = p < .10, one-tail
Figure 1: The Relationship Between Time and Electoral Volatility in Postcommunist Elections
Figure 2. The Relationship Between Uncertainty and the Probability of Changes in District Magnitude

$p(\text{change magnitude}) = 0.28 - 0.018(\text{volatility in last election})$
Figure 3. Interpreting the Parameters Explaining Change in District Magnitude
Figure 4: Interpreting the Parameters Explaining a Rise in Electoral Threshold
Figure 5: Interpreting the Parameters Explaining a Large Party Bias in State Funding Rules