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The Effect of Legal Thresholds on the Revival of Former Communist Parties in East-Central Europe

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Gerhard Loewenberg
University of Iowa

Since 1989 six Central and East European countries have held competitive elections under 17 different electoral systems. After some experimentation, the new electoral systems, adopted on the initiative of noncommunist parties, provided for proportional representation, with legal thresholds designed to protect the new parties from smaller, more recent, and more extreme formations. These legal thresholds favored noncommunist parties initially but subsequently appeared to facilitate a return of postcommunist parties to power. A multivariate model of the effect of electoral system thresholds in 13 elections confirms that they contributed to disproportionality but fails to confirm that they consistently favored either former communist or noncommunist parties. Further analysis reveals that legal thresholds have exaggerated the effect of volatility in the electorates on the representation of parties in parliament, causing systems of proportional representation to behave more like single-member plurality systems.

Introduction

The revival of competitive elections in East-Central Europe in 1989 was in some respects a replay of the democratization that had occurred there after the First World War. In 1919–20, as 70 years later in 1989–90, democratization entailed the design of new electoral systems. Then as now, the architects of new systems were highly uncertain about public support for the principal political parties existing in each of their countries. Then as now, the forces of the status quo had an attachment to majority-voting systems, which had prevailed in the established empires and appeared to favor established elites. Then as now, their challengers favored variants of proportional representation as the only way of assuring themselves a presence in the newly elected bodies. In each case, within half a dozen years, the decisions that were made had important and unexpected consequences. In the mid-1920s, these consequences consisted of the multiplication of political parties, facilitated by PR systems designed with exquisite fairness to represent even the smallest parties. In most countries desperate efforts were made to modify proportional representation to prevent the further “splintering” of parties (Kaisenberg 1931). Most of these efforts failed and the disintegrative threats posed by proportional representation were never wholly forgotten.
Seventy years later a far greater understanding of electoral systems had developed, partly as a result of European experience before and after the Second World War, and partly as a result of substantial scholarship on the consequences of electoral laws. The purpose of this paper is to examine the efforts to calculate the consequences of alternative electoral systems adopted in Poland, Hungary, the Baltic States, and Russia in and after 1989. Today the correlates of proportionality of outcomes are well understood. The literature shows that three factors are the principal influences: (1) the “electoral formula”—majoritarian, proportional, or semiproportional; (2) the “effective threshold” of votes that a party must achieve to gain representation,\(^1\) and (3) the size of the assembly (Lijphart 1994). But general proportionality does not exhaust the interest of those who design electoral systems. Gary Cox recently noted that “disproportionality, however measured, seems . . . of less . . . interest than the political character of disproportionality” (1991, 350). That is certainly the aspect that concerned the architects of electoral laws who wanted to use them to shape the party systems of Central and Eastern Europe in and after 1989.

The aim of the authors of these electoral systems was to achieve a reasonable degree of proportionality, both to legitimate the new systems and to insure the representation of a set of new political parties that did not yet know their strength. But those who drafted and then rewrote the electoral laws also endeavored to favor particular political tendencies. In an initial set of negotiations, entrenched communist regimes were able to insist on electoral systems that they expected to be favorable to themselves. After these regimes had experienced a series of electoral defeats, the noncommunist parties were able to insist on new electoral systems that they expected to favor them. This paper assesses the success of these efforts by examining the proportionality and disproportionality of election outcomes in Poland, Hungary, the Baltic States, and Russia, particularly the differential effect of the new electoral laws on the postcommunist and noncommunist parties. We selected these six countries for our analysis because a scholarly literature exists that allows us to describe the negotiations that led to the new electoral systems in these states, and because both their electoral systems and their consequences vary.

One principal question guided our research: Did the use of legal thresholds in the proportional representation systems adopted in East-Central Europe introduce disproportionality in outcomes that inadvertently favored the revival of the former communist parties? To answer that question, we sought answers to four preliminary questions: (1) What were the motives of the framers of the electoral laws? (2) Did they achieve their aims in the first elections that were conducted under them? (3) Were there unanticipated consequences? (4) Were efforts made to change the original laws to deal with unanticipated consequences?

\(^1\)The “effective threshold” combines the legal threshold required with the effect of constituency size or “magnitude” (see Lijphart 1994, 25–29).
The Evolution of the Electoral Systems

The transitions from communist one-party regimes to competitive multiparty systems in Poland, the Baltic States, Hungary, and Russia beginning in 1989 occurred in three stages. The first stage—clearly identifiable in the then still existing Soviet Union and in Poland early in 1989, and in Lithuania and Latvia in 1990—brought a modest concession by the communist regime to a united opposition. Without altering the electoral laws, noncommunist candidates were admitted in a number of constituencies (Poland and Russia) or were allowed to campaign in all of the constituencies (Latvia and Lithuania). The established communist governments hoped to introduce some competition while preserving their dominance. The elections that followed revealed the weakness of support for the established communist parties. Hungary and Estonia skipped this first stage because the Communist Party was from the outset too weak in these two countries to insist on retaining the elements of the old system. The second stage of the transition consisted of the adoption of laws designed for fully competitive elections, in Hungary in October 1989, in Estonia in 1990, in Poland in 1991, in Lithuania in 1992, and in Latvia and Russia in 1993. The third stage consisted of modifications of the second-stage laws to attenuate their unexpected consequences. Table 1 contains a summary of the provisions of the electoral systems used in these six countries between 1989 and 1997. We turn now to a discussion of the motives that influenced the negotiations in each of these countries through the three stages that we have described.

The First Stage: Adopting Laws for Transitional Elections

The first elections permitting noncommunist parties on the ballot in Central or Eastern Europe occurred in Poland in June 1989 after an agreement reached at the Round Table negotiations between the communist government and Solidarity. Solidarity, the dominant opposition force in Poland, sought recognition and legalization. In return, it was prepared to accord the regime continued legitimacy for relatively slight electoral law concessions. The communist regime assumed that a majority of the electorate would support it. Since it had the more established candidates, the Communist Party was convinced it would do well in elections held in single-member constituencies, the system all communist countries had used to conduct their noncompetitive elections. The forces of the status quo in 1989–90, like the forces of the status quo in 1919–20, opposed proportional representation.

The agreement reached allowed Solidarity candidates to run in 35% of the single-member constituencies for the Sejm in a system of “compartmentalized competition” (Olson 1993). The victory of Solidarity candidates in all but one of these constituencies shocked the Polish government as well as the communist governments throughout Central and Eastern Europe. The communists had greatly overestimated their public support (Pelczynski and Kowalski 1990).
<table>
<thead>
<tr>
<th>Transitional Stage</th>
<th>Country</th>
<th>Election Date</th>
<th>Electoral Formula</th>
<th>Months Since 1st Competitive Election</th>
<th>Tiers</th>
<th>District Magnitude</th>
<th>Number of Districts</th>
<th>Assembly Size</th>
<th>Legal Threshold</th>
<th>Effective Number of Parties in Electorate</th>
</tr>
</thead>
<tbody>
<tr>
<td>II</td>
<td>Estonia</td>
<td>Mar-90</td>
<td>STV</td>
<td>0</td>
<td>D</td>
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<td>46</td>
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<td>Estonia</td>
<td>Sept-92</td>
<td>quasi-d'Hondt</td>
<td>30</td>
<td>D</td>
<td>8.4</td>
<td>11</td>
<td>101</td>
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<td>8.33</td>
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<td>Estonia</td>
<td>Mar-95</td>
<td>quasi-d'Hondt</td>
<td>60</td>
<td>D</td>
<td>9.2</td>
<td>12</td>
<td>101</td>
<td>5%N</td>
<td>5.82</td>
</tr>
<tr>
<td>II</td>
<td>Hungary</td>
<td>Mar-90</td>
<td>SMC, runoff</td>
<td>0</td>
<td>D</td>
<td>1</td>
<td>176</td>
<td>176</td>
<td>none</td>
<td>6.49</td>
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<tr>
<td>III</td>
<td>Hungary</td>
<td>May-94</td>
<td>SMC, runoff</td>
<td>50</td>
<td>D</td>
<td>1</td>
<td>176</td>
<td>176</td>
<td>5%N</td>
<td>5.26</td>
</tr>
<tr>
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<td>Latvia</td>
<td>Mar-90</td>
<td>SMC, runoff</td>
<td>0</td>
<td>D</td>
<td>1</td>
<td>201</td>
<td>201 (191)</td>
<td>none</td>
<td>1.96*</td>
</tr>
<tr>
<td>II</td>
<td>Latvia</td>
<td>Jun-93</td>
<td>Sainte-Laguë</td>
<td>39</td>
<td>D</td>
<td>20</td>
<td>5</td>
<td>100</td>
<td>4%N</td>
<td>7.06</td>
</tr>
<tr>
<td>III</td>
<td>Latvia</td>
<td>Oct-95</td>
<td>Sainte-Laguë</td>
<td>67</td>
<td>D</td>
<td>20</td>
<td>5</td>
<td>100</td>
<td>5%N</td>
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<tr>
<td>I</td>
<td>Lithuania</td>
<td>Feb-90</td>
<td>SMC, runoff</td>
<td>0</td>
<td>D</td>
<td>1</td>
<td>141</td>
<td>141</td>
<td>none</td>
<td>1.62*</td>
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<td>II</td>
<td>Lithuania</td>
<td>Oct-92</td>
<td>SMC, runoff</td>
<td>32</td>
<td>D</td>
<td>1</td>
<td>71</td>
<td>141</td>
<td>none</td>
<td>4.09</td>
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<tr>
<td>III</td>
<td>Lithuania</td>
<td>Oct-96</td>
<td>SMC, runoff</td>
<td>80</td>
<td>D</td>
<td>1</td>
<td>71</td>
<td>141</td>
<td>5%N[2%]**</td>
<td>7.94</td>
</tr>
<tr>
<td>I</td>
<td>Poland</td>
<td>Jun-89</td>
<td>SMC, runoff</td>
<td>0</td>
<td>D</td>
<td>3.9</td>
<td>108</td>
<td>425</td>
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## TABLE 1 continued

### Summary of Seventeen Electoral Systems in Central and Eastern Europe

<table>
<thead>
<tr>
<th>Transitional Stage</th>
<th>Country</th>
<th>Election Date</th>
<th>Electoral System</th>
<th>Months Since 1st Competitive Election</th>
<th>Tiers</th>
<th>Number of Districts</th>
<th>District Magnitude</th>
<th>Assembly Size</th>
<th>Legal Threshold</th>
<th>Effective Number of Parties in Electorate</th>
</tr>
</thead>
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<tr>
<td>II</td>
<td>Poland</td>
<td>Oct-91</td>
<td>H-Niemeyer</td>
<td>28</td>
<td>R</td>
<td>10.5</td>
<td>37</td>
<td>391</td>
<td>None</td>
<td>11.43</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>Sainte-Laguë</td>
<td></td>
<td>N</td>
<td>69</td>
<td>1</td>
<td>69</td>
<td>5%N or 5 Districts</td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>Poland</td>
<td>Sept-93</td>
<td>d'Hondt</td>
<td>51</td>
<td>R</td>
<td>7.5</td>
<td>52</td>
<td>391</td>
<td>5%D[8%D]**</td>
<td>5.60</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>d'Hondt</td>
<td></td>
<td>N</td>
<td>69</td>
<td>1</td>
<td>69</td>
<td>7%N</td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>Poland</td>
<td>Sept-97</td>
<td>d'Hondt</td>
<td>99</td>
<td>R</td>
<td>7.5</td>
<td>52</td>
<td>391</td>
<td>5%D[8%D]**</td>
<td>4.67</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>d'Hondt</td>
<td></td>
<td>N</td>
<td>69</td>
<td>1</td>
<td>69</td>
<td>7%N</td>
<td></td>
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<tr>
<td>I</td>
<td>Russia</td>
<td>Mar-90</td>
<td>SMC, runoff</td>
<td>0</td>
<td>D</td>
<td>1</td>
<td>1068</td>
<td>1068</td>
<td>None</td>
<td>1.00</td>
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<tr>
<td>II</td>
<td>Russia</td>
<td>Dec-93</td>
<td>LR-Hare</td>
<td>45</td>
<td>N</td>
<td>225</td>
<td>1</td>
<td>450</td>
<td>5%N</td>
<td>7.55</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>SMC, FPTP</td>
<td></td>
<td>D</td>
<td>1</td>
<td>225</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>III</td>
<td>Russia</td>
<td>Dec-95</td>
<td>LR-Hare</td>
<td>59</td>
<td>N</td>
<td>225</td>
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<td>450</td>
<td>5%N</td>
<td>7.71</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>SMC, FPTP</td>
<td></td>
<td>D</td>
<td>1</td>
<td>225</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Number of effective parties calculated on basis of the distribution of seats after the first round

**Threshold for coalition or ethnic minority
The first stage of the transition manifested itself in February and March 1990 in two of the Baltic States, then still a part of the USSR, against the background of a growing movement for independence from the USSR. In Lithuania and Latvia, elections were held in single-member districts with a provision for competing candidates. It was a slightly modified version of the electoral law first employed in 1989 in the USSR to foster competition without permitting multiple parties (Elections in the Baltic States 1990, 63–66). In both countries noncommunist, nationalist parties were allowed on the ballot. Their ability to attract majority support effectively defeated the Soviet regime. In Latvia the nationalist Popular Front won 70% of the seats (Bungs 1990, 29). In Lithuania, candidates running under the nationalist umbrella organization, Sajudis, 2 won nearly three quarters of the seats. The success of these parties led to declarations of independence from the Soviet Union.

In the Russian Federation, elections to the Congress of People’s Deputies also took place in March 1990 under the same electoral law. For 1,068 seats there were 6,705 candidates, and only 121 of them achieved the requisite 50% of the votes on the first ballot. Voters therefore had a wide choice among candidates, but unlike the elections held under these circumstances in Latvia and Lithuania, voters did not have a choice among organized alternatives (White, Rose, and McAllister 1997).

The Second Stage: Adopting Laws for Fully Competitive Elections

In the second phase of the transition to competitive elections, the communist regimes had lost or were rapidly losing confidence about their prospects in single-member constituencies, while the opposition consisted of a variety of forces. All parties including the communists (or postcommunists) were now uncertain about their electoral support. Negotiations turned on the calculations made by each party of the advantages and disadvantages of proportional representation against single-member constituency systems, of different district magnitudes, of legal thresholds, and of electoral formulas. Parties and leaders confident of their visibility in the electorate advocated a system in which at least some seats would be filled in single-member constituencies; those that believed that their principal assets were a party label favored list systems of proportional representation (Lijphart 1992). Most established parties favored a threshold to set obstacles to new parties. The second-stage negotiations led to mixed district and PR systems in Hungary, Lithuania, and Russia, and systems of proportional representation in Estonia, Latvia, and Poland.

2Sajudis was not a political party but served as an umbrella organization for a large majority of Lithuania’s proindependence forces. As a result, this figure includes the number of seats won by candidates that Sajudis supported, including members of the Independent Lithuanian Communist Party. This percentage does not include the results for the eight runoff seats on April 8, 1990, however.
HUNGARY. The fully competitive elections that took place in Hungary in March and April 1990 were influenced significantly by the startling result of the June 1989 elections in Poland. The Round Table bargaining over the Hungarian electoral law in the fall of 1989 produced a three-tiered electoral system as the communists lost confidence in their electoral support while each of the noncommunist parties tried to calculate their advantages among alternative electoral laws (Benoit 1996). The nation was divided into 176 single-member constituencies in which seats were assigned by majority on the first ballot and plurality on a runoff ballot. An additional 120 seats were assigned by proportional representation to parties that had received at least 4% of the votes in 20 multimember districts corresponding to counties and ranging in size from 4 to 28 members. Finally, 90 seats were assigned by proportional representation in a national constituency as compensation mandates to parties that passed the 4% threshold and that had “unused” votes in the districts or the regions.

In the ensuing election, five noncommunist parties received nearly three-fourths of the votes, while the Socialist party (MSZP)—successor to the old Communist Party—received only 11%. The effect of the threshold requirement kept 13 parties that had won nearly 16% of the votes among themselves out of parliament. However, the overall departure from proportionality in the assignment of seats was principally due to the ability of the first-place Hungarian Democratic Forum (MDF) to win most of the district runoff elections on the second ballot (Hibbing and Patterson 1992). The seats not assigned to parties that failed to pass the threshold became a bonus for the second- and third-place parties.

ESTONIA. The complex electoral compromise that emerged in Hungary had its counterpart in the single-transferable vote system adopted in Estonia in 1990. The Russian communist regime was too weak to be confident about winning single-member constituencies, but it also opposed party-list PR, convinced that its candidates were more appealing than their party label. The eventual compromise between the communist regime and various social organizations was a single-transferable vote system that would act essentially as a nonlist PR system (Ishiyama 1993, 288). Its results weakened the communists further. In 1992 Estonia abandoned the single-transferable vote system, and the interparty compromise produced a party-list PR system with a 5% threshold under which the Communist Party failed to win any seats (Fitzmaurice 1993).

POLAND. The second stage of the transition occurred in Poland in 1991. All Polish political leaders reacted against the majoritarian electoral system that had prevailed in 1989. The communists, having calculated their prospects far too optimistically in 1989, calculated them too pessimistically in 1991 and joined the opposition parties in opting for PR with relatively large constituencies and essentially no legal threshold. The ensuing election produced a highly fragmented
parliament—the largest party won just one-eighth of the vote. All told 29 parties entered the Sejm with 11 parties gaining only one seat each. Five parties were required to form a majority coalition, and three cabinets were in office between the 1991 election and the dissolution of parliament 19 months later (Webb 1992; Jasiewicz 1996).

LATVIA. In June 1993 Latvia held its first parliamentary elections since its declaration of independence in 1990. To stimulate the creation of a strong multiparty system, the framers of Latvia’s 1993 law selected a party-list form of PR with a 4% threshold. Only eight parties passed this threshold, the most successful being Latvian Way, a moderate party comprised of reformed communists. The Latvian National Independence Movement, which appealed to many of the victims of Soviet occupation, came in a distant second. The postcommunist Equality Party won just over 5% of the vote (Davies and Ozolins 1994).

LITHUANIA. In Lithuania a parliamentary compromise was achieved in 1992 between parties favoring single-member constituencies and those favoring proportional representation. A mixed electoral system was adopted in which 70 seats would be allocated according to party-list PR with a 5% threshold and another 71 seats would be filled by elections in single-member districts with a provision for runoffs. In the 1992 elections, 17 political parties and electoral blocs ran, but only 5 passed the 5% threshold. While the nationalist alliance, Sajudis, had won the February 1990 elections, the former Communist Party, renamed the Democratic Labor Party, made a dramatic return to power in 1992. With 43% of the vote it captured 36 of 70 seats allotted by PR, picked up another 37 of the 71 single-member district seats, and thus attained an absolute majority in the 141-seat Seimas (Clark 1995). The resurgence of former communists showed how difficult it was for those in power to anticipate the consequences of changes in the electoral law.

RUSSIA. The first elections to the new Russian State Duma took place in December 1993 after the last Congress of People’s Deputies had been dissolved by President Yeltsin and then forcibly disbanded. The electoral law governing the election was issued by decree and therefore was not the result of a public compromise. Nevertheless, it fits our classification of an arrangement that was the product of the second phase of the transition to competitive elections. It was a radical departure from the Soviet single-member constituency system by adopting proportional representation to fill half of the seats, an attempt to encourage the formation of political parties. The party closest to President Yeltsin, Russia’s Choice, was confident that it had sufficient influence in the organization of the election to assure itself of at least a large plurality of seats. The entire country served as a single district for the 225 seats allocated by PR. An additional 225 seats were allocated through single-member districts.
Of the 13 parties that appeared on Russia’s nationwide PR ballot, only 8 passed the 5% threshold and gained party-list seats in the Duma. All told, 13% of the votes went to parties that failed to gain representation, and their share of list-seats was distributed among the parties that did clear the 5% hurdle. However, these parties had little success in the single-member constituencies where independents won five-eighths of the seats (White, Rose, and McAllister 1997; Wyman et al. 1994). The unexpected plurality won by Zhirinovsky’s right-wing Liberal Democratic Party in the list-system balloting demonstrated yet again how difficult it was to design electoral laws to favor particular parties in an environment of new and evolving political parties.

The electoral laws produced by the second-stage negotiations among the parties were the endogenous results of the transitional regimes that had been in office after the collapse of the communist monopoly. In many cases, however, they produced unintended consequences. In Hungary, one of the new parties won an unintentionally strong position. In Lithuania, a postcommunist party returned to power. In Poland, the electoral system produced party fragmentation. In Russia, PR permitted a new right-wing party to achieve prominence overnight while failing to provide strong support for the forces around President Yeltsin. Subsequent attempts to modify these electoral systems to cope with their unintended consequences proved difficult since those elected under these systems now favored maintaining them.

The Third Stage: Modifying the Electoral Laws

In Hungary the 1990 electoral system was used again in May 1994, almost unchanged except that the threshold requirement was raised from 4% to 5%. However, in the 1994 Hungarian election, it was the Socialist Party that reaped the benefit of the single-member constituencies. It won nearly one-third of the votes while the five noncommunist parties together won just over one-half of all votes cast. This time the threshold requirement kept 12 parties that had won nearly 14% of the vote among themselves out of parliament. As in 1990, the seats not assigned to the parties falling below the threshold became a bonus for the second and third most successful parties, since the most successful party had already won more than its share in the single-member constituencies and was therefore not eligible for many of the “compensation” mandates. Thus, the principal source of disproportionality in both Hungarian elections was the system of single-member districts that benefited the leading party, the Hungarian Democratic Forum, in 1990 and the postcommunist Socialist Party in 1994. The threshold requirement had the effect of excluding a large number of small parties and transferring their proportional shares to the second- and third-place parties (Benoit 1996).

Similar to Hungary, Russia’s 1995 Duma elections were held under an electoral law that had been barely changed. However, a strong increase in support for
the Communist Party in comparison to 1993, and disarray among President Yeltsin's supporters, led to a fragmentation of party strength that inadvertently strengthened the parliamentary representation of the communists. Nearly half of all votes cast for party lists went to parties that failed to clear the 5% hurdle, and the distribution of the seats they might have won among the four parties that did pass the threshold led them to be vastly overrepresented. The Communist Party won 44% of the list-seats on the basis of winning just 22% of the votes; the Liberal Democrats, Yabloko, and Our Home Is Russia reaped similar advantages. The Communist Party also did much better in the single-member constituencies than it had done two years earlier, increasing its share of these seats from 7% in 1993 to 26% in 1995. None of the other national parties did well in the districts. Independents won one-sixth of the district seats; the rest were divided among 11 smaller parties (Remington and Smith 1996).

Latvia's 1995 elections and Lithuania's 1996 elections also were held under laws that had been only slightly altered. In Latvia, the threshold requirement was raised from 4% to 5%. As in 1993, only four parties won seats in double figures. Two of the most successful were relatively new organizations. The leading party in 1993, Latvian Way, acquired fewer than half as many seats in 1995 (Davies and Ozolins 1996, 126–27). The postcommunist coalition, Labour and Justice, was unable to pass the new 5% threshold while the Latvian Socialist Party received 5.6% of the vote and 5 seats (Latvian Saeima 1997).

In contrast to Latvia, Lithuania lowered its threshold from 5% in 1992 to 4% in 1996. The 1996 Seimas elections distributed 141 seats more broadly than in 1992. The postcommunist Democratic Labor Party won only 12 seats, as the Homeland Union and Conservatives of Lithuania emerged as the obvious winner with 70 seats; three other parties won seats in double digits (Lijphart Archives 1997; Lithuanian Seim 1996).

Like the other Baltic States, Estonia also made only slight changes in its electoral law between 1992 and 1995. Approaching the 1995 elections, the major governing party, the Fatherland Alliance, lost many of its members to the new Rightist Party (which won 16 seats) and a new Reform Party (which won 19). The Coalition Party and Rural Union, an uneasy alliance of protectionist farm interests and market-oriented business owners, emerged as the major winner with 41 seats (Taagepera 1995). As in 1992, Estonia's former Communist Party failed to pass the required threshold. Overall, the minor tinkering with electoral laws in the second-stage negotiations in the Baltic States, Russia, and Hungary had only a trivial influence on the subsequent election outcomes compared to the large shifts in votes among parties that occurred in each of these countries.

The most substantial effort to engineer a third-phase change in the electoral law occurred in Poland in 1993. The 1991 electoral law had provided for a

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3Labour and Justice consisted of the Latvian Democratic Party, the Latvian Social Democratic Party, and the Justice Party. It received 4.56% of the national vote.
relatively unrestrained system of proportional representation producing a highly fragmented Sejm. All but one of the parties that had served in the coalition governments joined in an effort to revise the electoral law before the election of 1993 in order to consolidate party representation in parliament. The new law decreased average district magnitude, introduced a 5% threshold requirement (8% for parties forming alliances), and raised the threshold for seats assigned in the national constituency from 5% to 7%. The d'Hondt calculation favorable to larger parties was adopted as the formula of proportional representation. These changes reduced the number of parties represented in the Sejm from 29 to 7 (including one alliance and one exempted national minority party). Remarkably, over one-third of the votes were cast for 27 parties and one coalition that failed to meet the threshold requirement. The seats that might have gone to these parties under a pure system of proportional representation were assigned to the parties that passed the threshold. This enabled the two postcommunist parties—the Democratic Left Alliance and the Polish Peasants Party—to win nearly two-thirds of the seats together with only little more than one-third of the votes. Moreover, while the changes were adopted with the support of the strongest parties (with the exception of the centrist Democratic Union), three of these parties—the Liberal Democratic Congress (KLD), the Civic Alliance (POC), and the Union of Real Politics (UPR)—miscalculated their electoral prospects and failed to pass the newly enacted threshold (Jasiewicz 1996; Tworzecki 1994; Gibson and Cielecka 1996).

Poland conducted its third fully competitive election in 1997 without altering the 1993 electoral law. This time, however, the noncommunist parties were the ones that profited most from the disproportionality of the results. Just five parties (plus the German minority) gained parliamentary representation, but only 10 parties had campaigned nationally and only 12% of the voters cast ballots for parties that failed to pass the threshold. Having learned the cost of being divided, the noncommunist groups campaigned under a broadly based umbrella organization, Solidarity Election Action, which won over 34% of the votes and received 44% of the seats. Together with the Freedom Union, which had not joined this alliance, the noncommunists had a majority in the Sejm sufficient to form a coalition government. Meanwhile the two postcommunist parties were also modestly overrepresented in parliament, together winning 42% of the seats on 35% of the votes. The outcome demonstrated that thresholds can benefit whatever party or coalition of parties gains electoral pluralities regardless of its political color.

The third-stage elections therefore exhibited the stabilization of electoral systems having strong elements of proportional representation in contrast with the systems of single-member constituencies that had been monopolized by the Communist Party before 1989. They are the result of the waning of communist influence, of bargains between weakened communist parties and newly created noncommunist parties, and of calculations, generally miscalculations, of partisan
advantage. We turn now to an examination of the disproportionalities produced by these systems.

Measuring Disproportionality and the Effect of Thresholds

The parties that controlled the governments during the second stage in the transition of electoral laws had a vested interest in establishing rules that favored them. They enjoyed significant influence in determining these rules. The assumption everywhere was that some degree of proportional representation was necessary for the development of a strong multiparty system. In addition, many framers believed electoral thresholds would provide the necessary hurdle for excluding small, special interest and right-wing extremist parties. They also regarded thresholds as obstacles to the survival of what appeared to be seriously weakened communist and postcommunist parties.

Proportional representation, however, opened the parliaments of these countries to the fluctuations of public support in newly democratic countries not yet having stable party systems. The economic and social dislocations resulting from rapid transitions to a market economy quickly exposed governing parties to public dissatisfaction. The revival of ethnic tensions in some countries fed some parties on the right of the political spectrum. The superior organization of postcommunist parties in comparison to wholly new formations gave them initial advantages everywhere except in Estonia and Latvia. As we shall see, the principal effect of thresholds was not to create obstacles to particular parties but to exaggerate swings in electoral support in the allocation of parliamentary seats.

To test the effect of the threshold provisions of the electoral laws, we calibrated the degree of proportionality between the distribution of votes and seats for each party, for each election, and separately for the group of noncommunist and postcommunist parties, respectively. We used a least squares measure (LSq) calculated as the square root of one-half of the sum of the squared differences between vote and seat shares:

\[ \text{LSq} = \sqrt{\frac{1}{2} \sum (v_i - s_i)^2} \]

The measure essentially weights the deviations from proportionality by their own values which in turn makes the larger deviations account for more in the summary index than the small deviations (Lijphart 1994, 58–62). Among similar measures, the Rae index (see Rae 1967) understates the disproportionality of PR systems and the Loosemore-Hanby index overstates it; LSq splits the difference.4

We were interested particularly in how the electoral laws of Central and Eastern Europe affected the disproportionality of representation of the noncommunist as opposed to the communist and former communist parties. Our dependent

4For a detailed discussion of the different measures of proportionality, see Cox (1991), Gallagher (1991), and Lijphart (1994).
variables are therefore three measures of disproportionality of the representation: (1) for the noncommunist parties; (2) for the postcommunist parties; and (3) for all parties overall in each election.  

We measured the legal threshold as the percentage of the national vote in each election that the electoral law requires a political party to attain to receive seats in the national parliament. To examine alternative explanations of the proportionality of results, we also considered the influence of the average district magnitude and the effective number of parties, using Laakso and Taagepera’s (1979) self-weighting measure of vote shares. As a measure of the evolution of the party system, we included as a variable the number of months that had elapsed since the first fully competitive election in the country.

We considered only those parliamentary elections conducted under proportional representation in the six countries. The cases include all of the seats in each of the following elections: Estonia 1990, 1992, and 1995; Hungary 1990 and 1994; Latvia 1993 and 1995; and Poland 1991, 1993, and 1997. In addition, the analysis examines those seats allocated by proportional representation in Russia in 1993 and 1995 and in Lithuania in 1992 and 1996. Together, these elections provide 14 cases for analysis.

Analysis

To examine the relationship between legal thresholds, district magnitudes, the effective number of parties, the time since the start of competitive elections, and measures of disproportionality, we undertook a series of bivariate analyses. These show that legal thresholds are strongly and significantly related to the level of disproportionality of an election as a whole and of the representation of postcommunist parties. As thresholds increase, so does disproportionality. However, the effect of thresholds on the disproportionality of noncommunist parties is weaker and does not attain significance (see Table 2).

The results suggest that the thresholds had the effect of overrepresenting the postcommunist parties compared to their noncommunist counterparts. A closer look at the individual cases reminds us that while the postcommunist bloc in each country usually consists of one or at most two parties, the noncommunist parties are numerous. There is consequently more variance in their disproportionality. We turn below to a multivariate attempt to explain the pattern of their disproportionality.

District magnitude also appears to be related to the disproportionality of results, although none of the correlations attain significance. While increases in magnitude should decrease disproportionality, the bivariate relationship across countries is positive. A closer look at the cases reminds us that Russia uses a

\[ N_v = 1 / \sum v_i \]

5 Like Lijphart (1994), we exclude from the calculation extremely small parties.

6 In countries with two parliamentary chambers, we examined only the elections to the lower chamber. We omitted the Estonian election of 1990 from the multivariate analysis.
TABLE 2
Bivariate Relationships between Thresholds, District Magnitude, Effective Number of Parties and Time, and the Disproportionality of Election Results (Pearson r)

<table>
<thead>
<tr>
<th></th>
<th>Disproportionality</th>
<th>Threshold</th>
<th>District Magnitude</th>
<th>Effective Number of Parties</th>
<th>Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>Noncommunist disproportionality</td>
<td>0.31 (0.22)</td>
<td>0.17 (0.28)</td>
<td>0.28 (0.14)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Postcommunist disproportionality</td>
<td>0.41 (0.21)</td>
<td>-0.22 (0.23)</td>
<td>0.31 (0.07)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Disproportionality for all parties</td>
<td>0.49 (0.26)</td>
<td>-0.07 (0.23)</td>
<td>0.33 (0.04)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Threshold</td>
<td>— (0.26)</td>
<td>-0.10 (0.37)</td>
<td>0.53 (0.18)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Numbers in parentheses indicate significance for a one-tailed test.

single national constituency for the proportional representation side of the ballot (M = 225), yet both in 1993 and especially in 1995 Russian elections produced hugely disproportionate results—the effect of thresholds overwhelming the effect of high district magnitude. With Russia excluded, the relationship between magnitude and disproportionality becomes negative for both the non-communist parties and for all parties. It remains positive for the postcommunist parties, probably because of the influence of high magnitudes and high disproportionality in Lithuania.

The bivariate correlations reveal multicollinearity among the independent variables. Specifically, the length of time since the first freely competitive elections is strongly correlated with threshold levels, reaching significance at the 95% confidence level. This reflects, as we know, the motives of the parties that shaped these laws. The existence of this multicollinearity obviously violates the assumptions underlying multivariate regression analysis. Overall, the initial inspection of the influence of thresholds gives us some confidence in their influence on disproportionality, reminds us of the advantage of dealing with a small number of cases when interpreting cross-national findings, but reminds us also that having a small number of cases puts serious obstacles in the way of multivariate analysis. We will return to these problems below.

While the bivariate analysis helps to clarify the relationship between thresholds and disproportionality, it fails to determine whether legal thresholds have consistently favored one bloc of parties over another. To determine this, we examined the effect of disproportionality (see Table 3) on the noncommunist and postcommunist parties in each election between 1990 and 1997. We detected three patterns.

First, in Estonia and Latvia, legal thresholds were steadily consistent with disproportionality favoring the noncommunist parties. Second, in Lithuania in 1992 legal thresholds favored the communist/postcommunist parties but in 1996 dis-
proportionality favored the noncommunist parties. Third, in Hungary, Poland, and Russia, where legal thresholds were applied almost unchanged in both the second- and third-stage elections, the noncommunist bloc of parties was advantaged first, the communist bloc gained disproportional advantages second, and in Poland in 1997 the noncommunist bloc once again was advantaged. In short, the third pattern is one of cycling advantages from the noncommunist to the communist bloc and then back again.

We can summarize the way disproportionality affected the two blocs of parties over time by inspecting change in each interelection interval. For example, in Estonia between 1990 and 1992, where a legal threshold was added to the electoral system, the result was that the postcommunist parties suffered a disadvantage (see Table 4, in which a negative sign indicates that a bloc of parties suffered a disadvantage in the time interval indicated). By comparison, adding a legal threshold in Poland between 1991 and 1993 gave an advantage to the postcommunist parties. The last column of Table 4 provides a summary measure of the relative advantage of the postcommunist parties. By subtracting the noncommunist from the postcommunist advantage, it shows the growing advantage of the postcommunist parties in Hungary between 1990 and 1994, in Poland between 1991 and 1993, and in Russia between 1993 and 1995. Both in Poland between 1991 and 1993 and in Russia between 1993 and 1995 the change in disproportionality between the elections reveals instances where both blocs of parties were overrepresented. In these cases the losers were the large numbers of small parties that failed to achieve the threshold. And the table shows the reversal of trends in Poland, where disproportionality favored first the noncommunist parties, then the

### TABLE 3
Disproportionality of Representation of Postcommunist Parties, Noncommunist Parties, and All Parties (Least Squares)

<table>
<thead>
<tr>
<th>Cases</th>
<th>Postcommunist Disproportionality</th>
<th>Noncommunist Disproportionality</th>
<th>Disproportionality for All Parties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia, 1990</td>
<td>0.27</td>
<td>0.52</td>
<td>0.58</td>
</tr>
<tr>
<td>Estonia, 1992</td>
<td>1.06</td>
<td>6.07</td>
<td>6.16</td>
</tr>
<tr>
<td>Estonia, 1995</td>
<td>1.63</td>
<td>6.84</td>
<td>7.27</td>
</tr>
<tr>
<td>Latvia, 1993</td>
<td>0.87</td>
<td>3.23</td>
<td>3.35</td>
</tr>
<tr>
<td>Latvia, 1995</td>
<td>3.25</td>
<td>3.97</td>
<td>5.11</td>
</tr>
<tr>
<td>Lithuania, 1992</td>
<td>7.25</td>
<td>4.56</td>
<td>8.56</td>
</tr>
<tr>
<td>Lithuania, 1996</td>
<td>3.37</td>
<td>14.82</td>
<td>15.19</td>
</tr>
<tr>
<td>Hungary, 1990</td>
<td>1.66</td>
<td>12.94</td>
<td>13.87</td>
</tr>
<tr>
<td>Hungary, 1994</td>
<td>15.57</td>
<td>2.78</td>
<td>16.49</td>
</tr>
<tr>
<td>Poland, 1991</td>
<td>1.45</td>
<td>3.21</td>
<td>3.52</td>
</tr>
<tr>
<td>Poland, 1993</td>
<td>15.08</td>
<td>4.34</td>
<td>16.32</td>
</tr>
<tr>
<td>Poland, 1997</td>
<td>6.11</td>
<td>7.61</td>
<td>9.76</td>
</tr>
<tr>
<td>Russia, 1993</td>
<td>1.29</td>
<td>3.34</td>
<td>4.93</td>
</tr>
<tr>
<td>Russia, 1995</td>
<td>15.34</td>
<td>11.55</td>
<td>20.67</td>
</tr>
</tbody>
</table>
postcommunist parties, and finally the noncommunist parties once more, apparently bringing advantage to whatever bloc was gaining electoral support.

We return now to the problem of developing a multivariate model of the influence of thresholds on disproportionality. We wanted to assess the relative effect of thresholds, number of parties, district magnitude, and time since the first competitive elections on the disproportionality of election results overall and of the results for the postcommunist and noncommunist parties, respectively. However, since we had found that time since the first election was highly correlated with the existence of legal thresholds, we dropped this variable from the equation. To determine whether legal thresholds inadvertently assisted the revival of the postcommunist parties, we formulated three equations, one for each of three measures of the dependent variable. The first equation estimates the effect of electoral system factors on the disproportionality of the representation of the postcommunist parties; the second estimates their effect on the representation of the noncommunist parties; and the third measures their effect on the representation of all parties. The electoral system factors are, in addition to the legal threshold, the average district magnitude and the effective number of parties in each election. The multivariate regression equations are presented below:

\[
\begin{align*}
\text{Postcommunist} &= 3.71 + 1.13 \text{ Threshold} + 0.01 \text{ District Magnitude} \\
&\quad + (6.70) \quad (0.02) \\
&\quad + -0.53 \text{ Effective Number of Parties} + \epsilon \\
R^2 &= .22 \quad N = 13 \quad \text{SEE} = 5.84 \\
\text{Noncommunist} &= 0.68 + .71 \text{ Threshold} + 0.01 \text{ District Magnitude} \\
&\quad + (5.10) \quad (0.02) \\
&\quad + 0.34 \text{ Effective Number of Parties} + \epsilon \\
R^2 &= .15 \quad N = 13 \quad \text{SEE} = 4.44
\end{align*}
\]

**TABLE 4**

<table>
<thead>
<tr>
<th>Cases Over Time</th>
<th>Change in Postcommunist Disproportionality</th>
<th>Change in Noncommunist Disproportionality</th>
<th>Postcommunist Minus Noncommunist Disproportionality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estonia, 1990–92</td>
<td>-0.79</td>
<td>5.55</td>
<td>-6.34</td>
</tr>
<tr>
<td>Estonia, 1992–95</td>
<td>-0.57</td>
<td>0.77</td>
<td>-1.34</td>
</tr>
<tr>
<td>Latvia, 1993–95</td>
<td>-2.38</td>
<td>0.74</td>
<td>-1.64</td>
</tr>
<tr>
<td>Hungary, 1990–94</td>
<td>13.91</td>
<td>-10.16</td>
<td>24.07</td>
</tr>
<tr>
<td>Russia, 1993–95</td>
<td>14.05</td>
<td>8.21</td>
<td>5.84</td>
</tr>
</tbody>
</table>
TABLE 5
Influence of Number of Parties, District Magnitude, and Thresholds on Disproportionality (Beta Weights and Significance Levels)

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Postcommunist Disproportionality</th>
<th>Noncommunist Disproportionality</th>
<th>Disproportionality for All Parties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Effective number of parties</td>
<td>-0.21 (.24)</td>
<td>0.18 (.28)</td>
<td>-0.05 (.43)</td>
</tr>
<tr>
<td>District magnitude</td>
<td>0.15 (.32)</td>
<td>0.11 (.36)</td>
<td>0.15 (.30)</td>
</tr>
<tr>
<td>Threshold</td>
<td>0.35 (.13)</td>
<td>0.30 (.18)</td>
<td>0.45 (.07)</td>
</tr>
<tr>
<td>R²</td>
<td>0.22</td>
<td>0.15</td>
<td>0.27</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>-0.02</td>
<td>-0.11</td>
<td>0.05</td>
</tr>
</tbody>
</table>

Note: Numbers in parentheses indicate significance for a one-tailed test.

Disproportionality = 3.52 + 1.54*Threshold + 0.01 District Magnitude
(6.84) (0.98) (0.02)
+ -.14 Effective Number of Parties + e
(0.76)

R² = .27
N = 13
SEE = 5.96

where the coefficients are not standardized, \( e \) is the error term, the figures in parentheses are t-ratios, an asterisk indicates significance at the .10 level (one-tail), R² is the coefficient of multiple determination, N is the sample size, and SEE is the standard error of estimate for the dependent variables.

The results of the multivariate analysis suggest that thresholds do substantially influence the disproportionality of an election as a whole. However, while Table 5 confirms what we discovered in the bivariate analysis—that thresholds have a greater influence on the disproportionality of the postcommunist parties than on the disproportionality of the noncommunists—these relationships do not attain significance. Furthermore, the model as a whole does not explain much of the variance. Two of the adjusted R²'s are actually negative, the result of the small number of cases and the relatively large number of variables. ⁸

While our analyses confirmed that the use of thresholds in the proportional representation systems of Central and Eastern Europe has contributed to the disproportionality of representation, we had too few cases to test the influence of other factors that the literature of electoral systems compels us to consider: the

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⁸Adjusted R² is calculated as \( 1 - \left( \frac{1 - R²}{\frac{n - 1}{n - k - 1}} \right) \) where \( n \) is the number of cases and \( k \) is the number of variables. With just 13 cases a multiple regression analysis that exceeds two variables and that explains only .22 of the variance will have a negative adjusted R².
effective number of parties, district magnitude, assembly size, and the electoral formula. What emerges from our examination of the experience of Central and Eastern Europe is that the threshold provisions of electoral systems affect disproportionality but that they are not singularly influential. In just eight years of experience with the effect of thresholds in Central and Eastern Europe our analysis suggests that they do not favor noncommunist or postcommunist parties specifically, but rather that they favor the set of parties that increase their vote share substantially from one election to another.

Discussion

Legal thresholds were adopted in Central and Eastern Europe, principally on the initiative of the parties pushing the transition to competitive politics. Their purpose was to prevent party fragmentation and to enhance the advantages these parties had from being first on the scene. In the eight years of experience with competitive politics, the effect of thresholds has varied over time. While they appear to have contributed to the overrepresentation of the noncommunist parties in the early stages of the transition, they equally contributed to the overrepresentation of the postcommunist parties when they regained public support a few years later. Where the communist and postcommunist parties returned to government, they retained legal thresholds, convinced that these had worked to their advantage. Where the noncommunists were in office, they too maintained these provisions. The parties in power have consistently misjudged both their electoral prospects and the impact of legal thresholds on their share of parliamentary seats.

Central and East European electorates have shown a strong propensity to vote against the party in power, whatever its political color. With as yet weak attachments to political parties, and with weak party organizations, electorates have proven to be volatile. Except in Estonia and Latvia, legal thresholds have worked against whatever bloc of parties was in power. Their general effect has been to amplify the swings of a widely swinging electoral pendulum, exaggerating the changes in the share of the seats parties received in parliaments as a result of shifts in their electoral support.

In established democracies, shifts in the allocation of parliamentary seats under proportional representation reflect shifts in the distribution of votes quite accurately because interelection shifts in voter preferences are small. PR has the effect of causing the allocation of parliamentary seats to be stable, indeed insensitive to small swings in voter preferences. Only systems of single-member constituencies cause small shifts in voter preferences to produce large, indeed exaggerated shifts in the allocation of parliamentary seats.

In Central and Eastern Europe, the unanticipated effect of the use of thresholds in systems of proportional representation has been to make these systems highly sensitive to the swings of electoral opinion. In this respect they have
behaved like plurality systems. In the short time span since the transition to competitive politics, legal thresholds initially favored the newly established noncommunist parties, as they were intended. Relatively quickly thereafter, they facilitated the return of the postcommunist parties to power. Recently, in Poland, they facilitated the return of a noncommunist coalition to power. This most recent episode in electoral engineering, while reflecting a greater sophistication than episodes earlier this century in Western Europe, is nevertheless a reminder that electoral engineering is unlikely to produce the anticipated effects. At best, the authors of electoral systems can affect the next election, but even this is difficult if electorates and party systems are evolving rapidly and simultaneously.

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References


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