

THE NUMBER OF POLITICAL PARTIES AND LEVELS OF DEMOCRACY IN LATIN AMERICA

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Originating in the 1954 work of Maurice Duverger, the argument that plurality favors a two-party system but runoff a multiparty system is long-standing (Clark and Golder, 2006: 681). Indeed, Colomer (2005) and Negretto (2013) show that, when political leaders revised electoral rules during the third wave, most assumed that plurality raises barriers of entry, benefiting extant larger parties, and that majority runoff lowers barriers of entry, benefiting nascent smaller parties.

The principle is endorsed by a multitude of scholars. Scott Mainwaring and Matthew Shugart (1997b: 467-468) stated: “the run-off system... encourages fragmentation of the field of competitors for both presidency and assembly....The plurality rule, in contrast, encourages only two ‘serious’ contenders for the presidency in most cases.” Martín Tanaka (2005: 127) argued: “runoffs...stimulate fragmentation rather than combat it...” As Shugart and Carey (1992: 212) pointed out, a salient example is the United States: “the United States has functioned effectively as plurality throughout nearly all of its history, encouraging broad coalitions that, on average, have garnered 51.65% for the front-runner and 43.3% for the runner-up.”

Why are barriers to entry lower under runoff than plurality? One reason is that the first round and the runoff become two different stages of an electoral process; elections are not just one “single-payoff game” but a “two-level game.” In a first round, citizens can vote sincerely for the candidate whom they like the most, whereas under plurality they must vote strategically for the candidate whom they think has a chance to win whom they prefer (Norris, 2004: 49; Riker, 1992: 214-215; Van de Walle, 2006: 88-89). Usually, a new party is not strong at its start, and must have sincere votes to win. A new party moving into contention is a party moving up in the polls; but voters will only know this if polls are accurate. However, in Latin America, polls are frequently inaccurate.

The two different “stages” of the election is itself an advantage for also-ran parties. Incumbents and frontrunners are exposed to the risks inherent in not one

election, but two.¹ Even when a party does not reach the runoff, it gains power. In particular, a party can decide whether or not to make an endorsement (Jones, 1995: 92-93; Linz, 1994: 21-22; Negretto, 2007: 221).

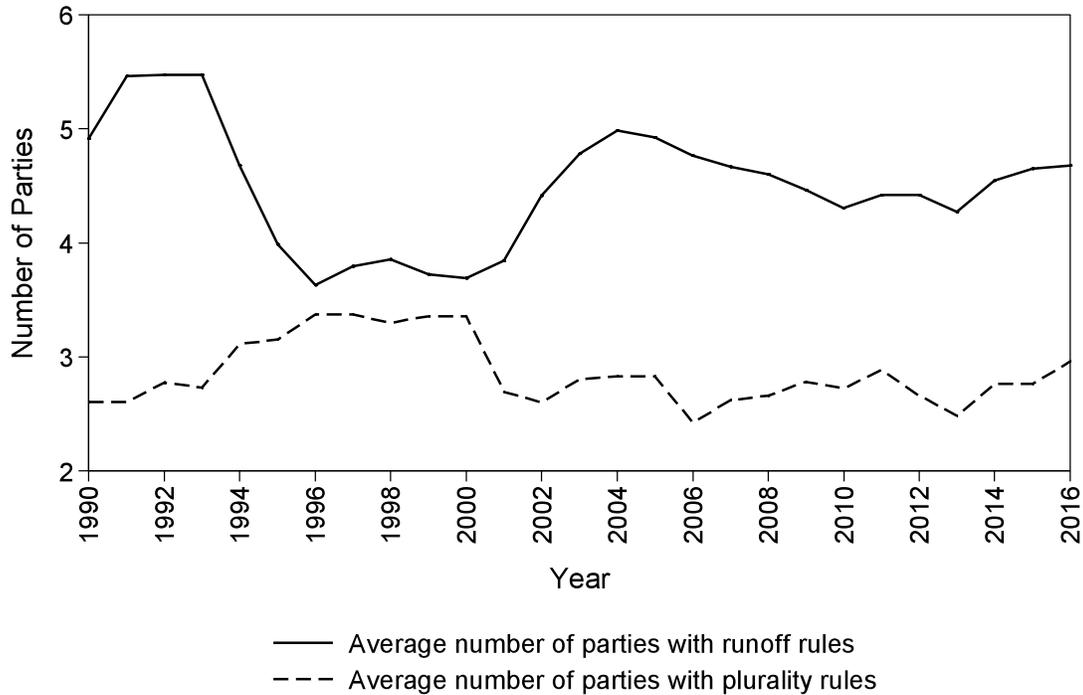
Finally, most simply, there are greater chances of finishing either first or second than finishing first (Carey, 2003: 14; Jones 1995: 96-102; Linz, 1994: 21-22). As Valenzuela (1993: 8) stated: “many parties can run candidates with reasonable hopes of making the second round.”

In most studies, including this one, the “number of political parties” is indicated by the “effective number of parties” variable calculated through the index developed by Murkku Laakso and Rein Taagepera (1979). The data are drawn from sources cited in McClintock (2018: Chapter 2). The average “number of parties” for a country was calculated from its first democratic election through 2014. I set a high bar for the determination of the year of the first democratic election (McClintock, 2018: Chapter 2).

Empirical evidence for the correlation between plurality and a smaller number of parties is ample. For an eclectic set of countries in Latin America and Western Europe from the 1930s until 1990, Shugart and Carey (1992: 220) found that the average number of parties was 3.4 under plurality but 5.15 under runoff. For Latin American nations from the 1930s to the mid-1990s where legislative and presidential elections were concurrent, Mainwaring and Shugart (1997a: 405-407) calculated that the average number was 2.53 under plurality versus 5.14 under runoff. For sixteen Latin American nations from the 1940s through the mid-1990s, Jones (1995: 90) found that plurality countries were likely to have less than 2.50 parties but runoff countries more than 2.50 parties.

I too found a positive relationship. The average number of parties in elections under plurality versus runoff for 1990-2016: about 2.90 under plurality versus approximately 4.50 under runoff. Under plurality, the average number was relatively steady between 1990 and 2016 but, under runoff, fluctuated between 1990 and 2004 and then steadied between 2004 and 2016.

Figure 1 Presidential-Election Rules and the Number of Political Parties, 1990-2016



Sources: See the third section of (McClintock, 2018: Chapter 2. Venezuela is excluded for 2006-2010 because the 2005 legislative election was boycotted by the opposition.

However, Figure 1 shows too that the relationship between presidential-election rule and number of parties is complex. First, the number of parties is greater under runoff than under plurality at the start in 1990. As Michael Coppedge (2000) and Gabriel Negretto (2006 and 2013) pointed out, a larger number of parties may result from runoff, but also causes runoff; countries adopt runoff because they already have a larger number and want to assure that the winner is the candidate with the most popular support. I calculated that, whereas from 1978 to 2006 the number of parties in the five countries retaining plurality averaged 2.81, the number in majority-runoff countries in the presidential, legislative, or constituent-assembly election just prior to the adoption of the runoff averaged 4.07; the number was at least 3.0 in every country (although 2.27 in qualified runoff countries).²

Second, Figure 1 shows considerable oscillation in the number of parties under runoff. In particular, between 1994 and 2000, the number of parties declined under runoff. The primary reason was change in the countries in the dataset. In 1990, almost all the countries under runoff were countries that traditionally had a large number of parties: Brazil, Chile, Ecuador, Guatemala, and Peru. Then, between 1994 and 1999

several countries that traditionally had a small number of parties--Argentina, Colombia, the Dominican Republic, El Salvador, and Uruguay—implemented runoff. Although the number of parties increased after 2000, it was never as large as in the early 1990s.

The oscillation in the number of parties under runoff suggests that presidential-election rule is part of the story about the number of parties, but not the full story. As subsequent chapters show, variation among runoff countries was considerable. Despite runoff, the number decreased in the Dominican Republic, El Salvador, and Uruguay. The largest jump after the adoption of runoff was in Colombia; the number also rose considerably in Costa Rica. The number increased in Argentina, but was greater for midterm legislative elections than legislative elections concurrent with presidential races. Similarly, the number was exceptionally large in Brazil (more than 10 parties as of 2011) and in Chile (more than 5.5 parties as of 2002); but, for presidential elections, two broad coalitions emerged. This important change is not reflected in Figure 1. In Ecuador (until 2008), Guatemala, and Peru, the traditionally large number of parties merely continued.

Accordingly, the number of parties in a country reflects factors beyond presidential-election rule. When incumbent parties are unpopular, social demand for new parties increases. Another factor is domestic political cleavages. Traditionally, cleavages emerge on the issues of religion, political ideology, and regions within a country; cleavages around a polarizing party or leader, such as Argentina's Juan Perón, have also been common. The number of parties was considerable under both plurality and runoff due in part to other electoral rules. In particular, the vast majority of Latin American countries use proportional representation rather than first-past-the-post for the election of the legislature, and proportional representation is associated with a larger number of parties. Also, in some Latin American countries, presidential and legislative elections were sometimes non-concurrent, and non-concurrent presidential and legislative elections are also associated with a larger number of parties.

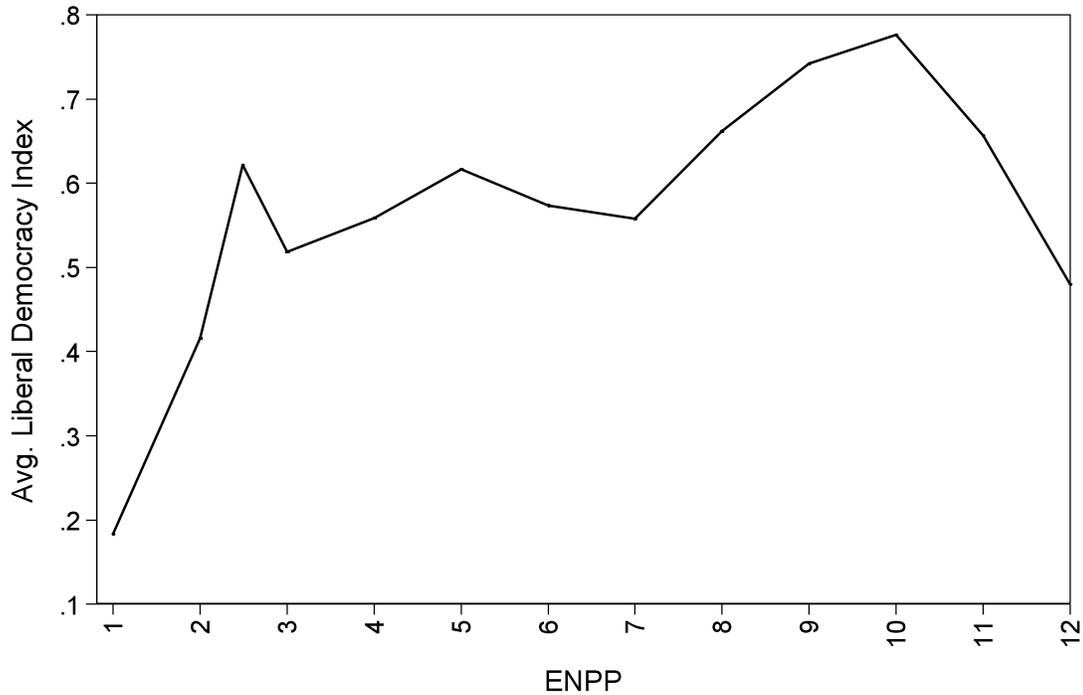
Plurality advocates argue not only that runoff increases the number of parties but also that a larger number is dangerous for democracy (Mainwaring and Scully, 1995: 33; Mainwaring and Shugart, 1997a: 435; Mainwaring and Shugart, 1997b: 465). Indeed, not only plurality advocates but many scholars argue that a larger number of parties is dangerous.³ For many years, this argument was supported by the Latin American

experience: traditionally, the number of parties was approximately 2.5 or less in Costa Rica, Colombia, and Venezuela, and these three countries were the region's longest-standing democracies.

However, in Latin America during the third wave, there was no statistically significant relationship between the number of parties and Freedom House or V-Dem scores (McClintock, 2018: Chapter 2). Indeed, for 1990-2014, the correlation coefficient between the effective number of parties variable (ENPP) and the Freedom House index was .378 and between the number of parties variable and the V-Dem index .518; in other words, a larger number of parties was correlated not with inferior levels of democracy but superior levels.

When we looked closely at the relationship between ENPP and levels of democracy, we found that it is non-linear. Figure 3.2 shows the discontinuous relationship between ENPP (rounding the numbers to the nearest whole) and V-Dem Liberal Democracy scores. The graph for rounded ENPP and Freedom House scores was similar.

Figure 2 The Number of Political Parties and the V-Dem Liberal Democracy Index, 1990-2016



Other scholars have found similar results. José Antonio Cheibub (2007: 97) found that, world-wide between 1946 and 2002, there was no relationship between the number of parties and the breakdown of presidential democracies. Cynthia McClintock and James Lebovic (2006: 51-53) found no relationship between the number of political parties and Freedom House scores in Latin America during the 1990s.

¹ Author's interview, Professor Luis Salamanca, Universidad Central de Venezuela, in Caracas, December 5, 2006.

² For those elections not included in Payne, Zovatto, and Mateo Díaz (2007: Appendix 3), the effective number was provided for Brazil in Mainwaring (1997: 74); for Chile in Valenzuela (1994: 178); for Costa Rica, courtesy of Fabrice Lehoucq; and Ecuador, courtesy of Martin Needler, based on data in Maier (1969: 82). The calculation for El Salvador's 1982 Constituent Assembly election is my own from Nohlen (2005 vol. 1: 281), for Guatemala's 1984 Constituent Assembly election my own from Nohlen (2005 vol. 1: 331) and for Peru's 1978 Constituent Assembly election my own from Nohlen (2005 vol. 2: 462).

³ Diamond (1996: 80-81); Huntington (1968: 42); Mainwaring and Shugart (1997b) and Weiner and LaPalombara (1996: 408). Gradually, the number of parties considered "too many" has increased; in the 1960s, more than two parties were usually considered "too many," but more recently the threshold has been four or more; see, for example, Mainwaring and Shugart (1997b: 466).