

Why Do Parties Change Position?

Party Organization & Environmental Incentives¹

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Abstract

What motivates parties to change their positions? Earlier studies demonstrate that parties change their position in response to *environmental incentives*, such as voter shifts. Yet, this work also suggests that parties differ in their responses. What accounts for this variation? We argue and empirically substantiate that differences in *party organization* explain the divergent responses of parties to environmental incentives. By means of a pooled time-series analysis of 55 parties in 10 European democracies between 1977 and 2003, this study demonstrates how the party organizational balance-of-power between party activists and party leaders conditions the extent to which environmental incentives (mean voter change, party voter change and office exclusion) drive party position change. The study's findings have important implications for our understanding of parties' electoral strategies as well as for models of representation.

Keywords: Political Parties, Political Representation, Party Organization, Party Strategy and Public Opinion.

At almost every election, political parties change their policy position. Existing work eloquently shows that parties change position in response to *environmental incentives* such as mean voter change, party voter change or electoral defeat (Adams et al. 2004; 2006; 2009; Adams and Somer-Topcu 2009). Yet, this literature also demonstrates that parties respond differently to these incentives. This study adds to the existing body of work by providing an explanation for which parties respond to which type of environmental incentives. Building on the party organization literature (e.g. Panebianco 1988; Aldrich 1995; Katz and Mair 1994), we theoretically propose and empirically demonstrate that the *balance-of-power between party leaders and party activists* makes parties more or less likely to respond to different environmental incentives. Specifically, we hypothesize that *leadership-dominated parties*, characterized by a limited number of internal veto players and a concentration of power among a select group of party leaders, are most responsive to shifts in the mean voter position and to office exclusion. Conversely, *activist-dominated parties*, in which decision-making and veto power is dispersed among large groups of party activists, organized in local, regional and national party branches or civil society organizations, are most responsive to party voter changes. Our pooled time series analysis of 55 parties in 10 European established democracies² between 1977 and 2003 provides empirical support for these propositions.

We contribute to the current state-of-the-art on party position change by demonstrating that the degree to which parties respond to environmental incentives is contingent upon the degree to which leaders or activists dominate intra-party decision-making. Our results also speak to the literature on representation by highlighting the importance of mass-elite linkages for representative democracy. Our finding that more activist-dominated parties respond to the activists' preferences underlines the notion of well-functioning ties between partisan preferences and parties' positions. At the same time, our results also indicate that these very same parties are much less responsive to the opinions of the mean voter. Regarding more leadership-dominated parties, our findings suggest that party

position change is mostly triggered by mean voter position change and office exclusion. While the former result provides a positive verdict for models of representation, the findings for office exclusion indicate that reaping the material benefits of gaining office is an equally important driver of party position change. This in turn presents a dimmer assessment of party responsiveness to voters.

The remainder of this study is structured as follows. First, we elaborate the theory and hypotheses. Next, we present the data, operationalizations and estimation procedure. After that, we present the empirical results. The final section discusses the study's findings and the implications for further research.

Theory and hypotheses

Parties face a high degree of uncertainty when changing their position (Budge 1994). For example, how will voters respond, and could a position change jeopardize future coalition negotiations? Ever since Budge's seminal study, the literature has developed four key explanations of why parties change position. First, Adams and collaborators show that parties are highly responsive to mean voter shifts (Adams et al. 2004; 2006; 2009; Adams and Somer-Topcu 2009). Second, Ezrow and colleagues (2011) demonstrate that while mainstream parties are more receptive to mean voter position change, niche parties, i.e., communist, green or radical right parties, seem immune to mean voter changes but respond to position changes of their party voters. Thirdly, Somer-Topcu (2009) demonstrates that parties change their positions more frequently after experiencing a bad showing in previous elections (also see Budge 1994, Budge et al. 2010). Fourthly, parties adjust their positions due to changes in economic conditions such as globalization patterns and the concomitant risks of unemployment this brings for workers and entrepreneurs (Adams and Somer-Topcu 2009; Haupt 2010).

While providing valuable insights into why parties change their policy position, the existing literature fails to provide a causal mechanism that can account for the *variation between* parties in their responses to these environmental incentives. This study contributes to the existing work by arguing that party organization, more specifically the degree to which a party is *leadership-dominated* or *activist-dominated*, explains why different parties are responsive to different environmental incentives.

Leadership-dominated versus activist-dominated parties

A political party can broadly be defined as a body of men (and/or women) working together to attain different goals, such as the pursuit of particular policies and ideals or the attainment of office benefits (e.g. Müller and Strøm 1999). As such, parties provide organizational vehicles to solve collective action problems associated with crafting proposals to regulate a polity while simultaneously channeling the ambitions for aspirant office holders (Aldrich 1995: 22-3). The organization of intra-party decision-making, such as candidate selection procedures, the membership structure or other elements of internal party democracy, strongly influences the outcome of a party's collective action (see for example Aldrich 1995; Katz and Mair 1994). Panebianco (1988) argues that the degree to which party leaders or party activists determine party policy changes parties' goals and actions. Parties can be placed on a continuum from being more activist-dominated to more leadership-dominated. In the latter case, the party leadership largely prevails in setting party policy because there are only few veto points in the internal party organization and decision-making, making the rank-and-file less powerful in shaping policy. Within more activist-dominated parties, internal decision-making is dispersed across party actors (such as regional and local branches or civil society organizations like unions). This constrains the party leadership as it needs the approval of party activists in setting policy and owes its survival to the time and support of these activists.

How does the organization of intra-party decision-making affect parties' behavior? Party activists care about a party's policies as they commit their time, money, and effort with the aim of voicing a specific ideological view. They are less willing to sacrifice policy ideas for the spoils of office given that their participation in the party is primarily based on the party's policy platform. In contrast, party leaders seek to maximize material and status-oriented goals associated with political office (Panebianco 1988; Katz and Mair 1994; Müller and Strøm 1999). Hence, leadership-dominated parties respond to environmental incentives that relate to a party's office-seeking goal while activist-dominated parties are more likely to adjust their positions in accordance with the policy preferences of the rank-and-file. This difference is strengthened further through the fact that policy-motivated activists and office-motivated activists are likely to self-select into activist-dominated or leadership-dominated parties respectively. Panebianco (1988: 25-6) distinguishes between officials whose participation depends primarily on the policy platform of a party, i.e. *believers*, and officials whose participation depends chiefly on material and status-orientated incentives, i.e. *careerists*. For careerists, leadership-dominated parties offer an easier way to the top, while their instrumental career-oriented behavior may be condoned in activist-dominated parties. For believers, policy influence matters most, which activist-dominated parties offer. Hence, a dynamic process of self-selection drives the careerists to already leadership-dominated parties and the believers to already activist-dominated parties.

What happens if we loosen the assumption regarding the office-orientated behavior of leadership-dominated parties and the policy-orientated behavior of activist-dominated ones? To this end, we consider two counterfactuals. First, will a leadership-dominated party primarily maximize office-seeking goals (as we assume it does) if the party leadership is policy-seeking? Our answer is *yes*. The leadership first needs to secure electoral victory and office before it can determine policy. In order to secure policy pay-offs, the leadership needs to pursue an office-seeking strategy during the

elections. In addition, if a leader fails to gain office, she may not only fail to pursue policy objectives, but also risks losing her leadership position to competitors within the party. Second, will an activist-dominated party predominantly display policy-seeking behavior if party activists (also) seek office? Again, we suggest the answer is *affirmative*. Activists influence the party's policy *prior* to the elections. Because overthrowing a leader once in office is difficult and risky, activists need prior reassurance that their leader will follow the 'right' policies. Consequently, activists will seek policy promises from the leader when they can influence policy; that is when the party determines its electoral manifesto at a party congress prior to the election.

Hypotheses

How does the intra-party balance between the party leadership and the party activists mediate party responsiveness to environmental incentives? We focus on the two environmental incentives dominant in the existing literature: *mean voter shift* and *party voter shift*, and add a new one, *office exclusion*.³ These incentives line up with parties' goals, namely securing office by avoiding office exclusion, gaining support of the mean voter by responding to mean voter shifts, and rallying support of activists by reacting to party voter shifts. We first turn to our expectations for mean voter shifts. In leadership-dominated parties the absence of internal checks and balances facilitates leaders' ambition to obtain political office. One way to do this, is by listening to the signals provided by the mean voter. A mean voter strategy may be risky in multi-party settings as a party could lose more votes to rivals than it gains.⁴ However, by representing the center of the political system a party most likely advances its post-election coalition bargaining position as this narrows the distance to most other parties in the system. Hypotheses 1 formalizes this expectation.⁵

H1: Mean Voter Change × Party Organization: Activist-dominated parties are less likely to change their party position due to shifts in the mean voter position during the previous election period than leadership-dominated parties.

If party leaders in activist-dominated parties wish to change their policy position, they need to overcome powerful internal veto players: the activists. To maintain their power, leaders have to respond to these activists' preferences. Because activists may represent larger groups of members or voters and because on average activists and party voters have almost similar preferences, we argue that activist-dominated parties respond to the party voter. Most empirical research indicates that in almost all cases in our sample⁶ there is no significant difference between the policy preferences of the party supporter and the party activist (Narud and Skare 1999; Norris 1995; Scarrow and Gezgor 2011).

H2: Party Voter Change × Party Organization: Activist-dominated parties are more likely to change their party position due to shifts in the mean party voter position during the previous election period than leadership-dominated parties.

Finally, we expect leadership-dominated parties to change their policy position in response to *office exclusion*. When a leadership-dominated party fails to attain office, either by losing the majority of the vote or by not being invited to a coalition government, it loses its most valued good (see also Riker 1982). Therefore, when excluded from government, these parties likely respond by changing their policy position. Vice versa, if such parties remain in government there is no intrinsic reason to change their position, especially as no (rational) party will risk jeopardizing already acquired goods. Hypothesis 3 outlines this expectation.

H3: Office Exclusion × Party Organization: Activist-dominated parties are less likely to change their party position due to being in opposition during the previous election period than leadership-dominated parties.

Three additional environmental incentives exist within the current state-of-the-art: electoral defeat, responses to economic conditions, and responses to activities of rival parties (see Adams and Somer-Topcu 2009 and Haupt 2010). Since economic conditions also affect voters' preferences, the mean and party voter incentives partly cover these effects (see for example Erikson et al. 2002). Although a possibly important environmental incentive, we exclude the actions of rival parties

because it is hard to conclusively define the rivals of more activist-dominated parties or more leadership-dominated ones. For a leadership-dominated party in a multiparty system; is its main rival its chief competitor for political office, the most ideologically proximate party, or the electorally more successful party in the system? Due to these definitional ambiguities, we exclude rival party shifts from the analysis. Finally, Somer-Topcu (2009) argues that past election results are a key source of information for parties about the direction in which public opinion is moving. Parties that have gained seats are likely to ‘stay put’ to circumvent possible negative side-effects of changing their position. After electoral defeat, conversely, a party is more likely to engage in risk-taking behavior, i.e. party position change. We add electoral defeat as a control variable but we have no specific expectations regarding the degree to which defeat has a different effect on more activist-dominated versus more leadership-dominated parties.

Before we operationalize our theoretical concepts, let us highlight that the introduction of party organization as the causal mechanism underlying inter-party variation in position change also enriches the ongoing discussion regarding differences between so-called niche and mainstream parties (Meguid, 2005, 2008, for a recent critique of the concept see Wagner 2011). Ezrow and his colleagues (2011) show that while mainstream parties are more “catch-all” oriented and inclined to respond to mean voter shifts, niche parties, i.e. communist, green or radical right parties, are more policy-oriented and cannot remove themselves too far from their electoral base. The underlying argument is that niche parties respond to party supporters and are less interested in short term electoral gain because of these parties’ smallness and their horizontal party organization (Adams et al. 2006; Ezrow et al. 2011). Our study contributes to this work, first, by presenting a more fine-grained empirical operationalization concerning which features of niche-ness or mainstream-ness explain inter-party variation in responses to environmental incentives. Thereby we move beyond the mere dichotomy between niche and mainstream parties (see also Wagner 2011). Second, we do not

associate party family membership with a specific type of organization. Social democratic parties have stronger formal ties with social groups and have empowered their activists by involving them in collective decision-making procedures (Adams et al. 2009; Kitschelt 1994). But there is also strong variation in social democratic parties. Labor unions were deeply involved in decision-making in the British Labour party and the Swedish social democratic party. Other social democratic parties had only weak connections with unions (e.g. German SPD and Dutch PvdA). Also, the Austrian, German, Dutch and Belgian Christian democratic parties established strong links with labor unions and other social groups. In terms of membership, many non-left parties outperformed the left parties in their countries (Mair and van Biezen 2000). Measuring party organization directly, as we do, captures these different dynamics between parties in a better way than party family membership, and also explicates how party organizational features mediate party responsiveness to environmental incentives.

Data and measurement

We test our three hypotheses using a dataset that covers 55 parties in 10 European, developed, established democracies in the period 1977-2003 ($N = 324$).⁷ This is an excellent sample because of the large variation in party organization it entails. We therefore have confidence that our findings also extend to other advanced democracies. Data limitations due to a lack of public opinion and party organizational data inhibit us to include more countries. Two of our central environmental incentives, mean voter change and mean party voter change, are gleaned from Eurobarometer surveys. These surveys cover European Union (EU) members only, excluding advanced democracies such as Canada or New Zealand. When also incorporating our party organization measures derived from Laver and Hunt (1992) survey (see below), we have data for parties competing in elections between 1977 and 2003 in 7 countries (Belgium, Denmark, France, Germany, Ireland, the

Netherlands and the UK) and in elections from the mid-1990s onwards in 3 countries (Austria, Sweden and Finland).⁸

We employ the Comparative Manifesto Project (CMP) measurement of parties' left-right positions to tap into the left-right positions of parties (Budge et al. 2001; Klingemann et al. 2006). This measure subtracts the relative attention in a party's electoral manifesto given to left-wing issues from the relative attention for right-wing issues. The CMP coding scheme distinguishes 56 different issues categories. The project employs human coders that assign quasi-sentences within the manifestos to one specific issue. This provides a summary of attention to each policy issue within each electoral manifesto. The entire database spans manifestos of the different parties in 20 countries in the period 1945 to 2003. The main advantage of the CMP data is that they allow for the construction of time-series of party positions which are comparable both within and across countries. The reliability of the data has received its fair share of criticism (Benoit and Laver 2006; Franzmann and Kaiser 2006; Gabel and Huber 2000). However, we lack a comparable data source that includes as many parties across time and space. Moreover, and important for our purposes, several authors have cross-validated the left-right placements from the CMP with expert and voter placements and found a high level of correspondence (Marks et al. 2007).

Our dependent variable is the position change of a party on a left-right scale from the CMP data. We propose two different operationalizations. First, following the literature, we subtract a party's left-right position at time t , i.e. during the current election, from the party's left-right position at time $t-1$, i.e. during the previous election. This *relative position change* variable indicates that parties shift leftwards or rightwards. Defined this way, one can test directional hypotheses, i.e. our first two hypotheses on party voter change and mean party voter change, which formulate the prediction that parties move to the left in response to a leftwards move by either the mean voter or the mean party voter.

Our last hypothesis regarding office exclusion does not imply a directional relationship, which also applies for the control variable electoral defeat. We expect parties to respond to office exclusion and there may be several strategies that parties follow. For example, a left-wing party can move leftwards in order to appeal to left-libertarian parties or it can move rightwards and appeal to centrist parties. In sum, we expect an absolute move, not a relative one. For that reason we construct a second dependent variable, which we label *absolute position change*. We construct this variable by taking the absolute distance between a party's left-right position at election_year e and the party's left-right position at the previous election, election_year $e-1$.

Table 1 provides an overview of this study's dependent and independent variables, i.e. environmental incentives and party organization.

- Table 1 about here -

To capture party organization, more specifically the degree to which a party is activist-dominated or leadership-dominated, we use two questions from an expert survey (Laver and Hunt 1992). The first question asks experts whether party leaders are influential in setting party policy; the second question asks whether party activists are influential in setting party policy. We construct a party organization variable by first subtracting the values from the first question from the values of the second question. Second, we add the minimum value of that sum to all observations. This creates a scale from 0 to 30, with low values indicating activist-dominance and high values indicating leadership-dominance. The drawback of this operationalization of party organization is that it is fairly static over time while changes in the balance of power between leaders and activists may have occurred. Also, the danger of every expert survey is that researchers cannot be certain which type of information flows into the answers experts provide (Laver and Benoit 2006; Steenbergen and Marks 2007). That said, a major advantage of using this expert survey for our measure of party organization is that it taps precisely into the theoretical element we are interested in, namely who dictates party

policy: activists or leaders? Three reasons increase our confidence in using a time-invariant measure of party organization. For one, like most other institutional variables, party organization is unlikely to change dramatically over time. Indeed more time-varying measures, such as the member voter ratio (Katz et al. 1992; Mair and van Biezen 2000) or party centralization (Bille 2011; Lundell 2004), which tap into other aspects of party organization than the leadership-activist balance we are interested in, also hardly display any change. For example, in our sample, only 4 out of the 55 parties included change the degree of centralization of candidate selection procedures between 1977 and 2003 (Bille 2001; Lundell 2004).⁹ Second, our measure of party organization is a ‘conservative’ test of the key relationships we are estimating in our empirical analyses as its static nature biases our results against finding support for our key hypotheses. Finally, we ran two additional robustness checks that offer even stronger support for our expectations, suggesting that our measure is indeed conservative. First, we restricted our time span of investigation to only the years close to the year of data collection. Second, we changed our simulated change in our measure in order to take into account the three documented changes in party organization in our sample for the Dutch and Danish Social Democrats, i.e. PvdA and SD, and British Labour. Both robustness checks increase our confidence in the results we report (see table A1 in online appendix).

Figure 1 displays the mean and standard deviation of party organization per party family (defined by Comparative Manifesto Project), using box plots. Clearly, the category of the niche party families ecologist, communist and nationalist (radical right) is a very diverse club, supporting our argument that party organization may have more explanatory power than the mainstream/niche dichotomy. Ecologist parties are mostly activist-dominated. However, nationalist parties (here only *Front National*) are leadership-dominated and therefore do not really belong into the same category with ecologist and green parties. Social democratic, liberal and agrarian parties are on average slightly less leadership-dominated in comparison to Christian democratic and conservative parties (see online

appendix Table A4 for party organization values per party). All in all, we find large variation in party organization across party families.

--- Figure 1 about here ---

To measure our first two environmental incentives, the *shift in the mean voter position* and the shift in *mean party voter position*, we use the Mannheim Eurobarometer Trend File that brings together yearly Eurobarometer surveys (Schmitt and Scholz 2005). The Eurobarometer surveys are excellent for tapping into these positions, as the respondents are directly asked to place themselves on a left-right scale. We calculate the mean voter positions by estimating the mean of all respondents' placement per country per election.¹⁰ We calculate the party voter position by estimating the mean of respondents' placement per country per election and per relevant party. We calculate changes in these variables by subtracting the mean level of one election (e) from that of the previous election ($e-1$).¹¹ *Office exclusion* is coded as 1 if parties were excluded from cabinet in the last cabinet before the election. We measure our control variable *electoral defeat* as the changes in percent of the number of seats,¹² comparing one election to the previous one. If that change is positive, we coded a 0. We take the cabinet data from the Party Government Dataset of Woldendorp and his colleagues (Woldendorp et al. 2000) and update these data for recent years. Table 1 lists the descriptive statistics of all dependent and independent variables.

Estimation technique

In order to explain party position change, we are dealing with variation between parties, across countries as well as over time. We therefore have to estimate a model that deals with both the cross-sectional structure, i.e. panel differences based on countries and parties as well as time dependencies, i.e. issues relating to autocorrelation. In order to deal with party and year effects, we use a simple party-election panel setup and add country dummies to address the existence of possible unobserved

differences between countries. This model set-up alone does not allow us to confront all possible problems that may arise using panel data estimation strategy. First, we have to deal with issue of heteroskedastic error terms, as it is very likely that the error terms have different variances between panels and are also correlated across different panels. We estimate panel-corrected standard errors (PCSEs) to deal with these issues (Beck 2007; Beck and Katz 1995). Second, when we model party position change between elections, we may likely encounter problems of autocorrelation, i.e. the possibility that the observations of the dependent variable are correlated across time within panels and we thus face a first-order autoregressive – AR(1) – structure in the panel residuals. Tests indicate that the residuals at time t are indeed influenced by the size of the residuals at time $t-1$. To deal with this issue, studies often employ a lagged dependent variable. Here we choose an alternative route and eliminate autocorrelation using a Prais-Winsten solution to address the panel specific AR(1) error structure (Greene 1990: 473). More recent work gives primacy to this solution since a lagged dependent variable introduces biases associated with trending in the independent variables and the error term and washes out the effects of the main theoretical model (Achen 2000; Plümper et al. 2005).¹³

We estimate two different full models: (1) explaining relative position change, and (2) explaining absolute position change. As argued, the party voter change and mean voter change incentives move parties in a specific direction, whereas electoral defeat and office exclusion move parties away from its previous position. Therefore, we explain *relative position change* with the interaction between change in mean voter position and change in mean party voter position with party organization. Although we do not expect it to affect party's relative position change, we include electoral defeat as a control variable since earlier work has found this variable to have a significant effect (Sommer-Topcu 2009). We explain *absolute position change* with the interaction between office exclusion with party organization. Here we add mean voter change and party voter change as control variables, as it is

plausible that some parties are more responsive (in absolute terms) to mean voter changes than to mean party voter changes (or vice versa). Finally, studies on the inclusion of interaction terms suggest that when there are two interaction terms in a single equation that have the same conditioning variable additional interactions terms between the two remaining constituent terms and a three-way interaction between the two constituents term and the conditioning variable should be introduced (Braumoeller 2004).¹⁴ Therefore we add the interaction term change in mean party voter \times change in mean voter and the three-way interaction including party organization.¹⁵

- (1) Relative position change $_{pt} = \beta_0 + \beta_1 \Delta \text{ mean voter} + \beta_2 \Delta \text{ mean party voter} + \beta_3 \text{ electoral defeat} + \beta_4 \text{ party organization} + \beta_5 (\Delta \text{ mean voter} \times \text{ party organization}) + \beta_6 (\Delta \text{ mean party voter} \times \text{ party organization}) + \beta_7 (\Delta \text{ mean party voter} \times \Delta \text{ mean voter}) + \beta_8 (\Delta \text{ mean party voter} \times \Delta \text{ mean voter} \times \text{ party organization})$ country dummies + error term
- (2) Absolute position change $_{pt} = \beta_0 + \beta_1 \Delta \text{ mean voter} + \beta_2 \Delta \text{ mean party voter} + \beta_3 \text{ electoral defeat} + \beta_4 \text{ office exclusion} + \beta_5 \text{ party organization} + \beta_6 (\text{office exclusion} \times \text{ party organization}) + \text{country dummies} + \text{error term}$

Empirical results

First, we examine the effects of *changes in mean voter position* and *changes in mean party voter position* on relative party position change and explore the interaction between these incentives and party organization. Table 2 presents the estimates of six regression models explaining relative position change. In model 1, we only estimate the effects of the environmental incentives. Although we argued that these environmental incentives work in conjunction with party organization, this analysis allows us to compare our results to existing research. Model 1 supports the common findings in the literature since both the change in the party voter's position and the change in the mean voter's position have a positive effect on party position change while defeat is not significant (Adams et al. 2004; 2009; Ezrow et al. 2011). Given that electoral defeat does not necessarily imply movement in a particular direction, we are not surprised to find an insignificant effect. In model 2 we add our party organization variable. Recall that we did not hypothesize a direct relationship of party organization

on relative party position change. This seems to be justified because the effect of party organization is small and its standard error large.

In model 3, i.e. our full model, we add the interaction terms and find support for our theoretical expectations spelled out in hypotheses H1 and H2. To interpret the moderating effect of party organization on the impact of environmental incentives, it does not suffice to simply look at the significance of the interaction terms. From the information presented in model 3 of Table 2 there is no way of knowing what the impact of the condition is when its value is greater than zero (Brambor et al. 2006). Therefore, Figures 2A and 2B illustrate the change in the marginal effect of mean voter change and party voter change on relative party position change for different degrees of party organization. These analyses provide several important results. First, the marginal effect of mean voter change on party position change increases the more party organizations become leadership-dominated (see Figure 2A). To be precise, for activist-dominated parties (party organization < 10 , $n = 8$), mean voter change has a negative influence on party position change. Hence, the behavior of party activists shields such parties from the effects of mean voter change. For parties strongly leadership-dominated (party organization > 23 , $n = 9$) mean voter change has a positive effect on party position change. To give an example, the PSC, the Walloon Christian democratic party with a party organization value of 24.03, shifts 6.4 points to the left on the party position scale if the mean voter shifted one point to the left on the Eurobarometer scale. The response to mean voter shifts increases, the stronger a party is dominated by the leader.¹⁶ For all party organization values in-between (>10 , <23), there is no significant effect of mean voter change. Substantively this makes sense. If party activists and party leaders are more-or-less equally strong, it is likely that at one election the leadership wins the struggle for setting the party's position, while at another the party activists do. Consequently, such parties are responsive to different incentives. Second, the marginal effect of mean party voter change on party position change increases as parties are more dominated

by activists. Hence, strongly activist-dominated parties (party organization < 10, n = 9) shift more radically in the same direction as the mean party voter as parties with less powerful activists do. Still, the British Labour party, with a party organization value of 15.25, is expected to shift approximately 7 points to the left on the party position scale if the mean party voter shifted 1 point to the right on the Eurobarometer scale. This effect is significant for all levels of party organization, except for values above 24. Parties above this level are strictly responsive to the mean voter. Finally, the strong effect of party voter change in comparison to mean voter change suggests that the latter is much more powerful in predicting relative party position change.

We performed several robustness checks. Models 4 to 6 display results when variables are taken in and out of the analysis.¹⁷ Both the mean voter and party voter effect slightly decrease if analyzed separately but remain significant. Moreover, excluding electoral defeat does not change the results.

--- Table 2 about here ---

--- Figures 2A and 2B about here ---

In a next step, we explore the effects of the other environmental incentive, namely office exclusion on the absolute change in party positions. Table 3 displays the results of these regression analyses. Recall that we include party voter and mean voter changes only as control variables here, as we have no explicit theoretical expectations about whether parties with different party organizations vary in their absolute response to leftward or rightwards movements of party voters or mean voters. However, leaving these variables out would create a serious omitted variable bias.¹⁸ We should control for this effect in order to understand the impact of the variable in which we are interested substantively: office exclusion.

In model 7, we find that electoral defeat has an effect on party position change, or to be precise a loss of 1 per cent of the formerly occupied seats is associated with a change of 0.11 in a party's absolute position. This is in line with part of the literature (Budge 1994; Ezrow et al. 2011; Somer-

Topcu 2009). However, the effect of electoral defeat disappears as soon as we control for party organization in models 8 and 9.¹⁹ Our third hypothesis on the interaction between office exclusion and party organization is supported by the results. In models 7 and 8, that is without the interactions with party organization, office exclusion is insignificant, which is in line with our theoretical expectations. This means that in general office exclusion does not motivate parties to change their position. However, the conditional effect of office exclusion and party organization in model 9 (the full model) is statistically significant. Figure 3 plots the main effect and confidence intervals of this effect. We find that for activist-dominated parties (party organization < 14), office exclusion has a negative effect on party position change. In this category we have mostly ecologist and some communist, social democratic and liberal parties. These parties are quite often in opposition and seem to care less since there is no positive response to office exclusion. Office exclusion has a positive and significant effect on parties with leadership-dominated parties (party organization > 23). This is in line with our hypothesis H3 that when party leaders are unconstrained by party activists, they are free in their pursuit of office. Hence, when excluded from office they move position in the hope of winning back office.

In model 10 we exclude electoral defeat from the analysis to test the robustness of the office exclusion variable. There is a very small improvement in the effect size of office exclusion.

--- Table 3 about here ---

--- Figure 3 about here ---

Summing up, our empirical analysis offers support for the core of our expectations with respect to the interaction between environmental incentives and party organization. Activist-dominated parties, respond to party voters and not to the mean voter, whereas leadership-dominated parties are more responsive to mean voter change and office exclusion.

Discussion

This study theoretically argues and empirically substantiates that the interaction between a party's organization and environmental incentives, particularly mean voter change, party voter change and office exclusion, explains why parties change position. Our main contribution is that we explicitly treat the different goals that parties pursue given the differences in the incentive structure arising from party organization. By considering the impact of party organization, we provide a powerful mechanism that explains inter-party variation in party position change. Specifically, we place parties on a continuum from activist-dominated to leadership-dominated parties. Whereas the latter are characterized by an absence of internal veto players and thus a party leadership that controls the policy agenda, decision-making power in activist-dominated parties is divided across a large set of internal veto players such as local and regional party branches. Our pooled time-series analysis of 10 European democracies between 1977 and 2003 shows that leadership-dominated parties respond to shifts in the mean voter position and to office exclusion, while activist-dominated parties respond to party voter changes. This suggests that the behavior of party activists shields activist-dominated parties from the effects of the mean voter's position change. We explain these differences on the basis of the varying organizational structures party leaders and activists face within these parties. Party leaders in activist-dominated parties can only consolidate their power within the party when they are responsive to the preferences of the activists. Consequently, staying in tune with activists is a critical way to achieve this. Within leadership-dominated parties, on the other hand, party leaders aim to reap electoral gains and obtain political office in order to safeguard their powerbase within the party, and leave their leadership unchallenged, as well as enjoy the material benefits of office.

While the positive association between mean voter change and policy position change is often hailed as a victory for models of representation that stress the link between citizen preferences and parties' policy position, the similarly positive association between office exclusion and parties'

position change presents a darker view of representation. In this view, the desire to be in office and the competition among parties that this desire stimulates is an important motor of democracy.

Overall, this study contributes to the current state-of-the-art on party position change by demonstrating that party responses to their environment are mediated by the organizational characteristics of a party. By drawing our attention to party organization as a key condition of party responsiveness to environmental incentives, this study provides a number of valuable insights that may spark off ongoing work uncovering the reasons why parties change their position between elections and why some are more likely to do so than others.

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Table 1. Operationalization of Main (In)dependent Variables

<i>Dependent variables</i>	<i>Indicator</i>	<i>Data source</i>	<i>Mean</i>	<i>Std.Dev.</i>	<i>Min</i>	<i>Max</i>
Party position change on left-right dimension	Relative = Party position _e – Party position _{e-1}	(Budge et al. 2001; Klingemann et al. 2006)	-65	14.81	-61.3	44.01
	Absolute = Party position _e – Party position _{e-1}		11.30	9.59	0	61.3
<i>Environmental incentives</i>	<i>Indicator</i>	<i>Data source</i>	<i>Mean</i>	<i>Std.Dev.</i>	<i>Min</i>	<i>Max</i>
Office exclusion	0 = Member of cabinet preceding elections, 1 = if excluded from cabinet	(Woldendorp et al. 2000), updated for later years by authors	0.60	0.49	0	1
Electoral defeat	% Party seats _{e-1} – % Party seats _{e,2} , if negative, otherwise 0	Various country electoral bureaus	-1.79	3.82	-36.03	0
Mean voter shift	Mean voter position _e - Mean voter position _{e-1}	(Schmitt and Scholz 2005)	-.06	.18	-.43	-.39
Party voter shift	Mean party voter position _e - Mean party voter position _{e-1}	(Schmitt and Scholz 2005)	-.04	.41	-1.65	2.38
<i>Party Organization</i>	<i>Indicator</i>	<i>Data source</i>	<i>Mean</i>	<i>Std.Dev.</i>	<i>Min</i>	<i>Max</i>
Party organization	Two expert survey questions used: <ol style="list-style-type: none"> 1. Assess the power of party leadership over party policy choices (0 [weak] – 20 [strong]). 2. Assess the power of party activists over party policy choices (0 [weak] – 20 [strong]). Measure = party score Q1 – party score Q2 + lowest party value	(Laver and Hunt 1992)	18.56	6.18	0	27.77

e = election_year, e-1 = previous election year

Table 2. Regression analysis of relative party position changes selected EU members, 1977-2003

	Model 1	Model 2	Model 3 (Full model)	Model 4	Model 5	Model 6
Defeat	.003 (.09)	.02 (.08)	.02 (.10)	.006 (.06)	-0.03 (.09)	
Party voter change	2.93* (.54)	2.66* (.56)	16.24* (3.10)		11.79* (1.34)	13.64* (2.31)
Mean voter change	1.84 (2.26)	2.76 (2.31)	-14.5* (5.75)	-6.01 (4.1)		-15.07* (6.57)
Party organization		-.02 (.03)	.01 (.06)	.009 (.03)	-.06* (.02)	-.01 (.05)
Party voter change × Party organization			-.59* (.14)		-.42* (.06)	-.48* (.11)
Mean voter change × Party organization			.87* (.32)	.41* (.17)		.89* (.35)
Party voter change × Mean voter change			34.987 (17.40)			8.84 (5.30)
Party voter × Mean voter × Org			-1.19 (.79)			
Constant	-20.7* (.43)	4.11 (2.44)	2.89 (2.48)	-20.75* (3.95)	-20.1* (.53)	-.53 (2.54)
N	335	324	324	336	326	324
Log likelihood	-1222.1	-1186.1	-1191.5	-1210.7	-1185	-1191.9
Wald	5218.96	11835.4	2367.3	416314	3670.08	3497.37

Notes: Table entries are Prais-Winsten regression coefficients corrected for panel-level heteroskedasticity with country dummies (not shown in table) and standard errors.

* significant at the $p \leq .05$ level (two-tailed).

Table 3. Regression analysis of absolute party position changes selected EU members, 1977-2003

	Model 7	Model 8	Model 9
Defeat	-.11* (.04)	-.07 (.05)	-.08 (.05)
Office exclusion	-.49 (.39)	.13 (.46)	-4.94* (1.51)
Party voter change	-1.58* (.21)	-1.91* (.27)	-1.97* (.30)
Mean voter change	2.18* (.78)	2.07* (.83)	1.75* (.79)
Party organization		.12* (.04)	-.05 (.07)
Exclusion × Party Org			.27* (.09)
Constant	13.3* (2.00)	11.09* (2.27)	14.77* (2.55)
N	335	324	324
Log likelihood	-1066.05	-1038.36	-1039.24
Wald	6841.6	89299.6	54447.57

Notes: Table entries are Prais-Winsten regression coefficients corrected for panel-level heteroskedasticity with country dummies (not shown in table) and standard errors.

* significant at the $p \leq .05$ level (two-tailed).

Figure 1. Boxplot of level of party organization per party family

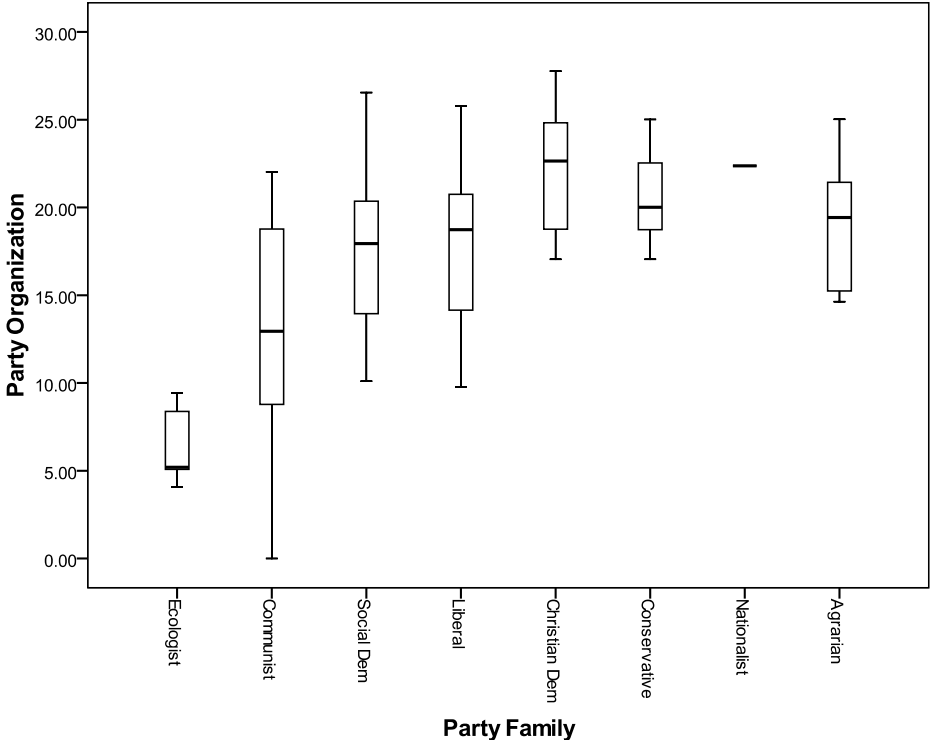
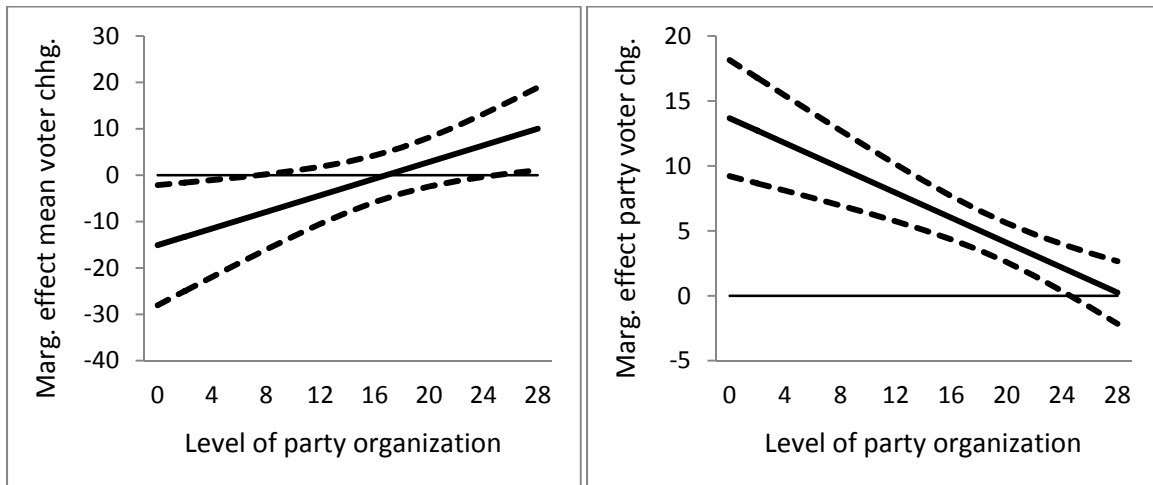
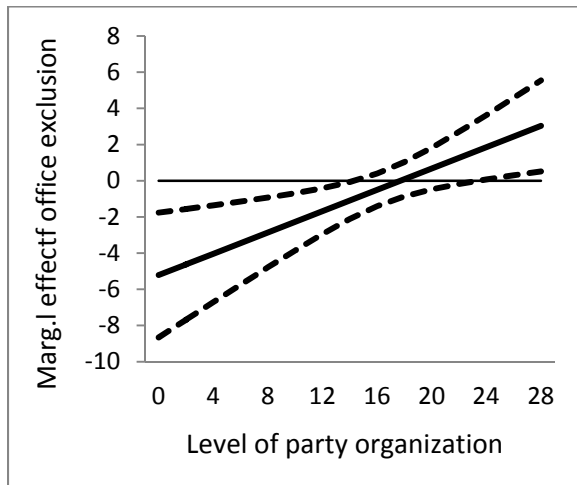


Figure 2A and 2B. Marginal effects of mean voter change (2A) and mean party voter change (2B) on relative party position change for different levels of party organization



Note: The straight line is the main effect; the dashed lines are the 95% confidence intervals.

Figure 3. Marginal effect of office exclusion on absolute party position change for different levels of party organization



Note: The straight line is the main effect; the dashed lines are the 95% confidence intervals.

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² We include Austria, Belgium, Denmark, Finland, France, Germany, Ireland, the Netherlands, Sweden and the United Kingdom. Case selection is discussed in the data and measurement section.

³ Please note that party-voter linkages can take two forms. First, party-elites can adopt the position of voters (bottom-up linkage) or, second, voters can adopt the positions of parties (top-down linkage) (Highton and Kam 2011, Steenbergen et al. 2007). Here we adopt bottom-up linkage, which is in line with much of the current literature (Adams et al. 2011, Milazzo et al. 2012).

⁴ Note that the spatial modeling tradition predicts party convergence to the mean voter, which slightly differs from empirical approaches - including ours. The approach taken here derives from Budge's (1994) theory of bounded rational behavior of political parties.

⁵ The parties included in our analysis mostly operate in dense party systems. Hence, if the mean voter shifts to the left, a party that is already to the left is expected to shift with the mean voter further to the left. This is because the party can potentially lose votes to centrist parties which could also adjust their position to the left in accordance with the mean voter shift.

⁶ In majoritarian systems, radical party activists may join a relatively moderate party rather than organizing a party by themselves. Consequently, the party activist is more radical than the party voter (Kitschelt 1989). In our sample, we only have one country with a truly majoritarian system (the UK). Activists are also more radical than the mean party voter if they seek to put an issue on the agenda that is not integrated in an existing political cleavage. This is of course not the case for the left-right dimension. Thus, we see no reason to assume that activists are more extreme in this sample.

⁷ Because some parties were not included in the Eurobarometer survey, the number of observations slightly increases when we exclude the party voter variable.

⁸ We omit Italy because few parties in the Laver and Hunt survey (1992) kept the same name or organizational structure after 1994. We exclude Greece, Spain and Portugal because they do not qualify as developed, established democracies throughout our timeframe. Austria, Sweden and Finland enter from the mid-1990 onwards because they were included in the Eurobarometer surveys at that time.

⁹ The available time-series data on party organization have limitations too. Both member voter ratios and party centralization measures bias against small and green parties, which have small membership

numbers but strong participatory norms (Kitschelt 1988). Also, having fewer members does not imply more leadership domination if the decision-making structures have not changed. In the online appendix we discuss alternative party organization measures and their drawbacks in detail.

¹⁰ Mean and median voter are used somewhat interchangeably in the literature. Ward and others (2011) argue that the two positions must be very close, because distributions of self-placement tend to be unimodal and symmetric.

¹¹ Shifts in mean voter and the mean party voter position may be due to changes in voter population, because some voters enter the electorate while others leave. Hence, there may be composition effects. This is difficult to address empirically as we lack panel data of European publics over time and across countries. We examined public opinion changes by assessing whether these are ‘real’ changes in public opinion or due to measurement error through inspecting the percentage of “don’t know” responses for the question we use. The level of don’t knows is relatively low (12.2%). We performed *t*-tests to analyze whether the estimation of the mean is significant, which all strongly are. Consequently, it is unlikely that public opinion change is due to measurement error (see Table A3 in the online appendix).

¹² We use changes in seats rather than in votes because the former is less sensitive to the possible inter-country variation based on the electoral system.

¹³ We find substantively similar results if we use also a model with a lagged dependent variable (see Table A1 in the online appendix).

¹⁴ Thanks to Bear Braumoeller for clarifying this issue.

¹⁵ We have substantively similar results if we omit these two additional interaction terms.

¹⁶ The Eurobarometer scale runs from 0 to 10. Therefore, a party shift of 10 points rightwards in

response to a mean voter shift of 1 is approximately proportional. Parties with a party organization value of 28 respond proportionately, other parties have slightly less proportionate responses.

¹⁷ Table A1 in the online appendix presents additional robustness checks, a model with a lagged dependent variable and a model without country dummies.

¹⁸ Tests with an absolute mean voter and mean party voter change variable provide similar results.

¹⁹ In another test the interaction between party organization and electoral defeat was insignificant.