The Collective Action Problems of Political Consolidation: Evidence from Poland[1]

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The problem of collective action, while noticed early by Rousseau and Hume, received its first model in the 1950s in the celebrated Prisoner's Dilemma introduced by Flood and Drescher and motivated by Albert Tucker's familiar story. Later, with the development of game theory, problems of collective action were thoroughly formalized as variants of the Prisoner's Dilemma, coordination games, or just strategic games with a unique Nash equilibrium that is strictly Pareto dominated (Hardin 1982; Sandler 1992). Among the early social scientists who analyzed social dilemmas with simple models was Thomas Schelling. Mancur Olson, Schelling's student, focused in his dissertation on the intersection of economics and politics. He made studying the problems of collective action his lifetime research program. He applied his framework and its variants to the workings of professional associations and labor unions (1965), maintaining the NATO (1966, with R. Zeckhauser), interest group formation and their impact on the aggregated welfare (1982), revolution-making (1990), or incentives facing various rulers to cultivate economic growth (2000). He demonstrated that political and economic collective action problems are not mere curiosities, paradoxes, or aberrations of otherwise efficient markets. They underlie every aspect of human activity and have profound political and economic consequences.

Since Olson's seminal dissertation-turned-book on collective action, systematic failures of various social, economic, and political players to coordinate on mutually beneficial solutions received increasingly more attention from political scientists and economists. The 1989 Eastern European revolutions produced a new crop of such failures. The old institutional grid--political, economic, and social--was destroyed and the new institutions were still in the making. The collective action problems born in this institutional vacuum contributed to political instability, economic under-performance, and social inefficiencies. One of the most persistent problems plaguing transitional societies was the huge number of small entities such as companies, political parties, foundations, universities, etc., that emerged quickly and then "froze" at what seemed to many observers as an inefficient level of consolidation.

The Fragmentation of Eastern-European Party Systems and Collective Action

The end of communism in Eastern Europe brought the free competition for votes that almost immediately resulted in a proliferation of parties. In Poland, the effective number of

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parliamentary parties (ENPP) after the 1991 elections reached an astronomical value of 10.45.[2] Perpetual splits, coalitions, and the formation of new parties made the emerging party systems in Eastern Europe quite dissimilar to their mature counterparts in Western Europe. Parties focused at least as much on negotiating electoral coalitions as on cabinet coalitions. Coalitional negotiations became the crucial component of party politics in Bulgaria (Waller 1995), the Czech Republic (Kopeck 1995), Estonia (Grofman, Mikkel and Taagepera 2000), Hungary (Lomax 1994), Poland (Kaminski 2001), Russia (Filippov, Ordeshook and Shvetsova 1999) and other transitional democracies (Cotta 1996; Kaminski 1998).

Political fragmentation creates an Olsonian setting of a great number of relatively small players whose ability to enter binding agreements with the others is limited. When such players face decisions in which a joint action could benefit all as opposite to individual maximization, i.e., if there are dominant or locally dominant strategies for everybody that jointly produce an inefficient equilibrium, they may visualize the game as non-cooperative and act separately. This is the famous Olsonian prediction that in various settings "*rational, self-interested [players] will not act to achieve their common or group interests*" (Olson 1965, p.2; emph. in orig.).In public decision-making, fragmentation slows down the decision processes, makes political players more vulnerable to pressures from main economic players, increases political tensions through mis-representation of large chunks of the electorate and often facilitates unexpected political consequences. One of the most important such political consequences was the enabling of post-communist parties return to power in some Eastern European democracies. In October 1992, a post-communist party regained power in Lithuania. In September 1993 a similar comeback took place in Poland, and in May 1994, in Hungary. The electoral victories of these post-communist parties were much more spectacular than one could have predicted from the size of their popular support alone. In Lithuania, 46.6% of the popular votes resulted in 56.7% of lower house seats whereas in Hungary the corresponding numbers were 33% and 55%. In Poland, the disproportion between popular votes and seats was even greater. A mere 20.4% of popular votes for a post-communist party resulted in a total of 37.2% of Sejm (Lower House) seats. Another big winner in the elections was a successor of a communist puppet-ally, the peasant party (PSL) with 15.4% of votes and 28.7% of seats. The electoral success of both old regime parties in Poland resulted in a coalition that turned out to be very stable and ruled Poland from 1993 to 1997. The most important economic consequences of the post-communist come-back included the halting or slowing down of multiple institutional reforms, privatization, and the re-structuring of the most heavily unionized branches of state economy.

The post-communist comebacks following the economic difficulties of early transition were ultimately made possible by a deep fragmentation of anti-communist rightist parties. The increase in electoral support of the post-communist parties was insufficient for their electoral victory. In the 1993 Polish parliamentary elections, six sibling rightist parties commanded 26.2% of votes and only 3.5% of seats. Simulations show that the united coalition of the rightist

[2] The ENPP, the most popular indicator of parliamentary fragmentation, is defined as $1/\sum p_i^2$ where p_i^2 is seat share of party i (Laaksa and Taagepera 1979). Greater values represent greater fragmentation. ENPP is equal to the inverse of the Herfindahl ratio, widely used by economists as a measure of market concentration. For most western democracies, ENPP assumes values between 3 and 4. For the United States, it is roughly equal to 2. The value of 10.45 implies that at least 11 parties had political representation.

parties could win about 35% of seats, enough to form a cabinet with other non-communist parties (Kaminski, Lissowski, and Swistak 1998). In fact, in the next elections in1997, the post-solidarity rightist parties coalesced and jointly with one more anti-communist pre-solidarity party, won 39.4% of votes and 45% of seats.

Electoral coalescing creates multiple collective action problems for the affected parties. Such problems are often different from political puzzles found in mature democracies. Consider a simple example of two similar small parties that can capture 10% of Lower House seats each when competing separately. Assume further that the estimates show that when the parties form a common list of candidates, then, due to the properties of the electoral law rewarding larger coalitions and attracting additional votes, they win 30% of seats. At first, it seems that seat-maximizing parties would have strong incentives to coalesce and a natural prediction would be that they would coalesce. However, the parties may engage in an attrition-game by bargaining over how to divide the 10% surplus and may end up not coalescing (Zielinski 2000, 2002). They may also be discouraged from coalescing by a prediction that their coalition will facilitate consolidation among their opponents, and eventually will make them worse off.

With more parties, the picture may become even more complicated. For instance, even when there are gains from forming a grand coalition, there may be non-empty subsets of parties with incentives to leave such a coalition (the core of the corresponding cooperative game may be empty).

The general analysis of electoral coalitions requires a complex framework of partition-function form games (Kaminski 2001). The three collective action problems of electoral coalescing in Poland and their political consequences are analyzed in this chapter in a less formal fashion. The consequences were of utmost importance and the solutions to consolidation problems worked out by the political actors shaped Polish politics for many years.

The next section describes the consolidation dilemma that the rightist parties faced in the 1993 elections after an electoral reform. In this first situation, the rightist parties did not coalesce and entered the elections with separate lists of candidates. Then, a special case of the dilemma is analyzed. This special situation arose in the Polish 1993 elections after the August 10 deadline for registration of candidate lists. After this deadline, the coalitional structure was fixed and the six parties and coalitions of parties helplessly watched their poll results oscillating just below the minimum threshold required for seat distribution. While it was common knowledge that defeat was inevitable, there was a solution to the dilemma, namely a lottery among all parties determining who would stay and who would withdraw from the elections. This collective action problem was not solved successfully. Finally, Section 4 describes how the defeated rightist parties were able to overcome their differences, coalesce, and win almost half of the seats in the 1997 elections despite the total proportion of votes similar to that of 1993 elections. The grand rightist coalition, AWS, became the dominant force in Polish politics for four years.

The 1993 Dilemma of Electoral Consolidation

The story of the Left's spectacular comeback begins on May 28, 1993. On that day a new electoral law was adopted by the Polish parliament, the Sejm. The new law was more friendly to larger parties, and accordingly almost all larger parties in the Sejm supported the change whereas almost all smaller parties voted against it. The voting on the new law took place in a fervent

situation due to another major political problem, a non-confidence vote, that was put on the agenda for the same day. The cabinet fell by one vote, and on the next day, unexpectedly, President Lech Walesa dissolved the Sejm and called for new elections in September.

The new electoral law provided strong incentives for coalescing.[3] The relatively homogeneous bloc of the rightist parties immediately started coalitional negotiations. The media thoroughly analyzed the poor prospects of the fragmented right and it was the common knowledge among all the players that fragmentation would be equivalent to defeat.

Then, in June and July, the picture changed (see Figure 1). Figure 1 shows poll results of the rightist parties and coalitions between the dissolution of the parliament and the new elections. The height of the graph represents the mean support for a party or coalition computed from ten OBOP and CBOS polls. Merged graphs represent coalitions of corresponding parties created at the time the poll was conducted. BBWR entered the race as a new party in June.[4]

Surprisingly for almost all commentators, estimates showed that instead of generating more votes, coalescing in fact subtracted many votes from the partners of two largest coalitions. In addition, a new rightist party, the Walesa Bloc, was formed and the Solidarity trade union decided to compete in the elections. The presence of two new entrants further dissipated the rightist parties' vote share.

Coalitions that showed weak performance in the polls were quickly dissolved. The deadline for registration of candidate lists on August 10 was approaching fast and the rightist leaders seemed to be paralyzed. Most commentators concluded that the coalescing did not work, and that the unsuccessful unifications made the electorate disappointed. The polls showed the popularity of post-communist parties skyrocketing and the nightmare of a reestablishment of the communist order started to haunt the rightist leaders.

The August 10 registration deadline was a crucial date. After the deadline, the coalitional structure of parties competing in elections was almost frozen. No further coalescing or adjustment of candidates' positions on the lists was allowed. The only option remaining to parties was the withdrawal of its list of candidates from the electoral race.

The leaders of the rightist parties did little to prevent what seemed at that time to be their inevitable defeat. They were appealing to the *other* leaders and *other* parties for withdrawal from the election, or to voters to coordinate on their own parties (Sulek 1995, p. 114). Not surprisingly, there were no altruists, and the voters did not coordinate efficiently. The rightist parties entered the elections divided and lost.

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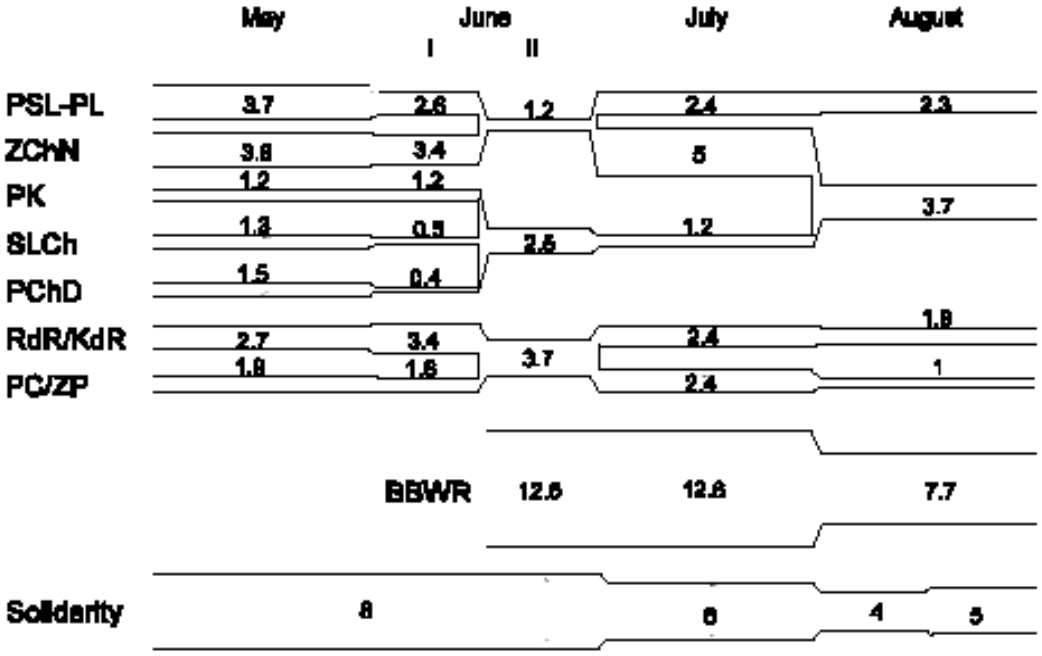
[3] The new law introduced country-level thresholds of 5% to 8%, required using the d'Hondt-Jefferson divisor method, which is more friendly towards larger parties, instead of the largest remainder Hare-Hamilton method with Droop quota and substituted 37 districts with 52 smaller districts. The average district magnitude decreased from 10.6 to 7.3 (Kaminski, Lissowski, and Swistak 1998). In an electoral system with relatively small districts, the choice of a particular proportional representation (PR) method may strongly influence the distribution of seats among parties (for detailed discussion of various PR methods, see Balinski and Young (1982) and Taagepera and Shugart (1989)).

[4] For each poll, $N \in [1083,1376]$. 'Undecided' excluded. Figure taken from Kaminski (1998).

Figure 1: Poll Results of the Rightist Parties and Coalitions between the Dissolution of the Parliament and the New Elections



The height of the graph represents the mean support for a party or coalition computed from ten OBOP and CBOS polls. Merged graphs represent coalitions of corresponding parties created at the time the poll was conducted. *Note:* BBWR entered the race as a new party in June. For each poll, N∈[1083,1376]. 'Undecided' excluded. *Source:* Kaminski (1998).

The Dilemma of Electoral Participation or Withdrawal

The collective action problem that the rightist parties faced during their final weeks was of a peculiar nature. Only the withdrawal from the elections of some of the rightist parties could give a reasonable chance of winning seats for the other rightist parties. Had the parties been able to solve the dilemma, they could have received an *ex ante* better seat share even in this supposedly hopeless situation. A possible solution to the problem is a lottery. A randomly selected party or coalition would have most likely attracted the entire rightist electorate and prevented the post-communist victory. A simple model is outlined below that represents the dilemma of this situation.

A lottery among parties competing for the same chunk of the electorate could have been arranged in a variety of ways. The game introduced below represents one such a possibility, with players choosing between unconditional participation and entering a lottery.

The model is a symmetric n-player non-cooperative game with risk neutral players and $n \geq 2$. Players are interpreted as a set of virtually identical parties clustered closely in the issue space, 'the rightist parties'; no other players are present. Every player i has two strategies: $s_i = 1$ is interpreted as "run" in the electoral race independently of decisions of others and $s_i = 0$ is interpreted as "negotiate withdrawal" from the race.

Payoffs are interpreted as expected seat shares and are driven by the following story: the total expected seat share of the rightist parties when exactly k of them are running is equal to $f(k)$, where $k \in \{1,..,n\}$ and $f(k) \in [0,1]$. As a result of the electoral law that punishes fragmentation, the total seat share decreases as the number of rightist players entering the elections increases:

(a) f is decreasing.

However, everybody has a chance of getting some seats, even if the probability associated with winning a positive seat share when everybody competes is low. Thus, if everybody enters, then the expected total seat share remains positive:

(b) $f(n) > 0$.

Each player can decide to enter elections independently of the other players' decisions. Alternatively, a player may join a subset of parties that try to negotiate withdrawal and win a 'lottery ticket' that gives him the right to run as the subgroup's representative. By convention, assume that when a single player 'negotiates,' this means that the player unilaterally quits the race and gets nothing. When at least two players negotiate, all such players draw fair straws, and exactly one of them, the winner, enters the race.

Every player who enters the race receives his expected share of seats, which depends on the total number of entrants and his own decision whether to run or withdraw.

Let s denote any strategy profile and let s_i be the strategy of player i. The total number of players running when the strategy profile is s is denoted by r_s. The formula representing payoffs is given below:

$$P_i(s) = \begin{cases} 0 & \text{if } s_i = 0 \text{ and } r_s = n-1; \\ \dfrac{1}{(r_s+1)(n-r_s)} f(r_s+1) & \text{if } s_i = 0 \text{ and } r_s < n-1; \\ \dfrac{1}{r_s+1} f(r_s+1) & \text{if } s_i = 1 \text{ and } r_s < n-1; \\ \dfrac{1}{r_s} f(r_s) & \text{if } s_i = 1 \text{ and } r_s \geq n-1. \end{cases}$$

(1)

Consider the strategy profile $s^E = (1,...,1)$ representing the case of all players running independently of the decisions of the other. To evaluate the payoff of player i for both of his strategies, note that $P_i(1,s^E_{-i}) = 1/n\, f(n) > 0$ by assumption (b), where s^E_{-i} denotes the strategy profile of all players except of i, and $P_i(0,s^E_{-i}) = 0$ by definition of payoffs in equation (1). Thus,

s^E is a Nash equilibrium and, in addition, since $P_i(1,s^E_{-i}) > P_i(0,s^E_{-i})$, for any player, the equilibrium strategy of running is not weakly dominated by this player's withdrawal.[5]

Compare the equilibrium payoff vector with the payoffs resulting from cooperation $s^* = (0,...,0)$, i.e., when all players negotiate withdrawal and draw straws in order to select a single rightist contender. By equation (1) and assumption (a), $P_i(s^*) = 1/n\, f(1) > 1/n\ \ f(n) = P_i(s^E)$. Thus, the payoff vector corresponding to s^* strictly Pareto dominates the equilibrium payoff vector corresponding to s^E.

Running strictly dominates negotiating when no more than one other player decides to negotiate withdrawal, regardless of n. Thus, for a two player game, running is a dominant strategy. For $n > 2$, this is not necessarily the case. If the function f decreases very steeply for a certain number of players, then a player may have incentive to join the negotiators, decrease the total number of runners and have some chance of winning a big reward instead of winning a small reward for sure. However, as the calculations below show, such situations are rather implausible empirically.

Denote the number of other players who chose running, excluding player i, by r'. By definition, for player i, running is a strictly better response than negotiating to s_{-i} when the payoff from running is greater than the payoff from negotiations. This condition arises, after simple algebra, when

$$\frac{f(r'+2)}{f(r'+1)} > \frac{(r'+2)}{(r'+1)(n-r')} \qquad (2)$$

Equation (2) reveals that the total expected seat share does not increase too steeply when one more player decides to enter negotiations instead of running. For $n = 6$, (the actual number of sibling rightist parties in the 1993 elections) the values of the expression on the left-hand side are approximately equal for $r' = 0$, 1, 2, and 3 (specifically, the values are 0.33, 0.3, 0.33, 0.42, respectively). These numbers are small and rather unlikely to represent the properties of our actual function f. For instance, to generate the ratio of 1/3, the total seat share of the rightist parties would have to jump from the actual 3.5% for six parties to 10.5% for only five parties. The simulations from Kaminski, Lissowski and Swistak (1998) show a possible jump from $f(6) = 3.5\%$ to $f(1) = 26.2\%$. This means that if we define the geometric average ratio as $q = [f(6)/f(5) \times f(5)/f(4) \times f(4)/f(3) \times f(3)/f(2) \times f(2)/f(1)]^{1/5} = [f(6)/f(1)]^{1/5}$, then we can estimate that $q \approx 0.67$. Thus, under empirically plausible values for the f function, running without attempting negotiated withdrawal is a strictly dominant strategy for all parties.

A qualitative analysis of the collective action problem of the 1993 Polish elections reveals a number of relevant factors that supplement the simplified model presented above. The problem arose under strong time pressure. In the first stage, before the August 10 deadline for the registration of candidate lists, coalescing was allowed. In the second stage, the parties could only withdraw from the electoral race.

It seems that the surprising poll results discouraged the rightist leaders from coalescing at the first stage. The polls were most likely misinterpreted by party leaders. In fact, when three

[5] This is an important property that constitutes a very simple and natural refinement of the Nash equilibrium solution concept. An example of a Nash equilibrium with weakly dominated strategies is provided by a 2×2 game with payoffs for both players equal to 0 in three cells, and equal to 1 in the fourth cell.

new coalitions of the Right were introduced simultaneously with the new entrant, Walesa Bloc, the total number of rightist parties or coalitions decreased from eight to five and the polls showed a strong gain in the total share of seats of the Right, from 21.1 in early June to 27.9% in late June, as shown in Figure 1. There is no evidence in the poll data that the coalescing actually subtracted votes. However, since the new entrant captured a sizable portion of the rightist electorate, the effects of coalescing for the coalition's partners could not be easily separated from the loss of votes caused by the effect of a new entry.

At the second stage, after the August 10 deadline the candidate lists were closed, an agreement for sharing spots on the joint list of candidates ceased to be a viable option. The payoffs became non-transferable. Under these constraints, no selective incentives of any conceivable kind were available in order to induce cooperation. The possibility of solving the dilemma through a lottery system was not explored.

When the rightist parties were given more time to negotiate a sharing scheme, they were able to solve the dilemma. In 1996, before the 1997 elections, the descendants of all six coalitions united and formed one large coalition AWS and one smaller party ROP. These parties commanded a solid 39.4% of votes and 45% of seats in the 1997 elections. The AWS then became the senior partner in a cabinet that survived four years. The next section analyzes this process.

The 1993-1997 Consolidation Dilemma

Background

The Right's failure helped two parties with a communist ancestry. The return of the Polish post-communists, along with similar comebacks in Lithuania and Hungary, was declared a surprising "shift-to-red" in Central European politics.

The 1993 election taught the Right's politicians a tough lesson. The Right faced the next election united into one large coalition, the AWS, except for a minor party, ROP. After the election, the AWS and the centrist party UW formed a majority cabinet. Many political commentators considered the results of the 1997 elections to be surprising again. However, the popular votes obtained by major ideological clusters of parties in the 1993 and the 1997 elections were surprisingly similar. The real difference was only in the distribution of seats.

The remainder of this section is based on Kaminski (1998, 2001) and tells the story of what happened on the Right between 1993 and 1997. A complex model of coalition-formation that uses partition-function form games is developed in Kaminski (2001). The narrative is organized around the dilemmas that coalescing parties face; i.e., *payoff estimation*, *promotion* of the new entity on the political market, and *sharing the expected seats*.

Payoff Estimation

The *estimation* problem is caused by the deficit of reliable information. In a transitional party system, prospective coalescents do not know the partition function, i.e., the distributions of seats following all possible coalitional structures, but rather form proxies based on popular support. Polls provide estimates of popular support under the existing coalitional structure, but estimates

for other hypothetical structures are infrequent and less reliable. Such estimates are often plagued by methodological problems that do not appear in standard polls.

The Right's coalitional failure before the 1993 election is a good illustration of estimation problems. The threat of a poor votes-to-seats translation ratio was evident, and the talks started soon after the parliament was dissolved. In early June of 1993, three Right coalitions were formed and further coalescing was expected. However, the surprising poll estimates showed that two of the new coalitions were deeply vote-subadditive and that only the smallest one was approximately vote-additive. Both subadditive coalitions were soon dissolved. (See Figure 1.) Political analysts concluded that a large part of the electorate was lost due to coalescing (CBOS 1993). Polls clearly halted further negotiations (Kaminski, Lissowski and Swistak 1998).

The election results of the Right were poor but still better than the polls suggested. Some politicians believed that the polls were used to initiate a self-fulfilling prophecy. The leader of PC, Jaroslaw Kaczynski, inferred that "so-called public opinion polls are manipulated" (quoted in Sulek 1995). Though fragmentation-based explanations are more plausible, the predictive failure of polls seems unquestionable.

Over time, polling companies managed to better understand the methodological problems of poll estimates in a fragmented party system. Politicians learned how to interpret polls as well. Calculations based on estimates of the partition function were substituted for the ideological language of early negotiations. Obviously, estimates of different politicians were sometimes inconsistent. When Jan Olszewski, the leader of ROP, suggested a grand coalition with the AWS, he implicitly assumed superadditivity and argued that such a coalition could win a qualified majority of seats. Marian Krzaklewski, the AWS leader, was more conservative. He responded that, "We have to check first whether our electorates are additive" (Zdort 1997a). In fact, polls showed a 2% vote loss for a potential grand coalition which, possibly, prevented any agreement between the ROP and AWS.[6]

Name Recognition

Votes come from voters who must *recognize* the political entity for whom they are voting. The brand name of a new entity must be implanted in voters' ears and hearts. In a transitional multiparty system, the successful promotion of a new brand name is a complicated endeavor – particularly amidst the informational noise of splits, mergers, coalitions, negotiations, withdrawals, defections, and entries.

The first coalitions on the Right — PJL, SUC, and PdP — formed soon after the defeat in 1993 in order to compete in the 1994 local election. All three coalitions assumed new names that were entirely unknown to the supporters of their members. No intra-coalitional mechanisms promoting the new names were created, and no popular politician advertised these new entities. None of the competing coalitions created a well-recognized identity. As a result, it was no

[6] After the 1993 election, parties actively sought estimates of the partition function. During intensive coalitional negotiations of the Right in early 1996 and mid-1997, polling companies conducted surveys on potential gains from coalescing. In April 1998, one of the largest parliamentary parties performed a secret survey, designed similarly to the survey used in this research, to measure potential benefits from coalitions with various partners.

wonder that their political life was short. In May 1994, "about half the Poles had not heard about the main organizational force on the Right [PdP]" (OBOP 1994). Analysts were heard to complain that, "many respondents do not recognize differences among the PdP, PJL, and SUC, and do not know which parties comprise these coalitions" (OBOP 1995). In fact, the first three years of coalitional adjustments brought a dizzying informational noise of frequent splits, mergers, and changes of names (see Figure 2).

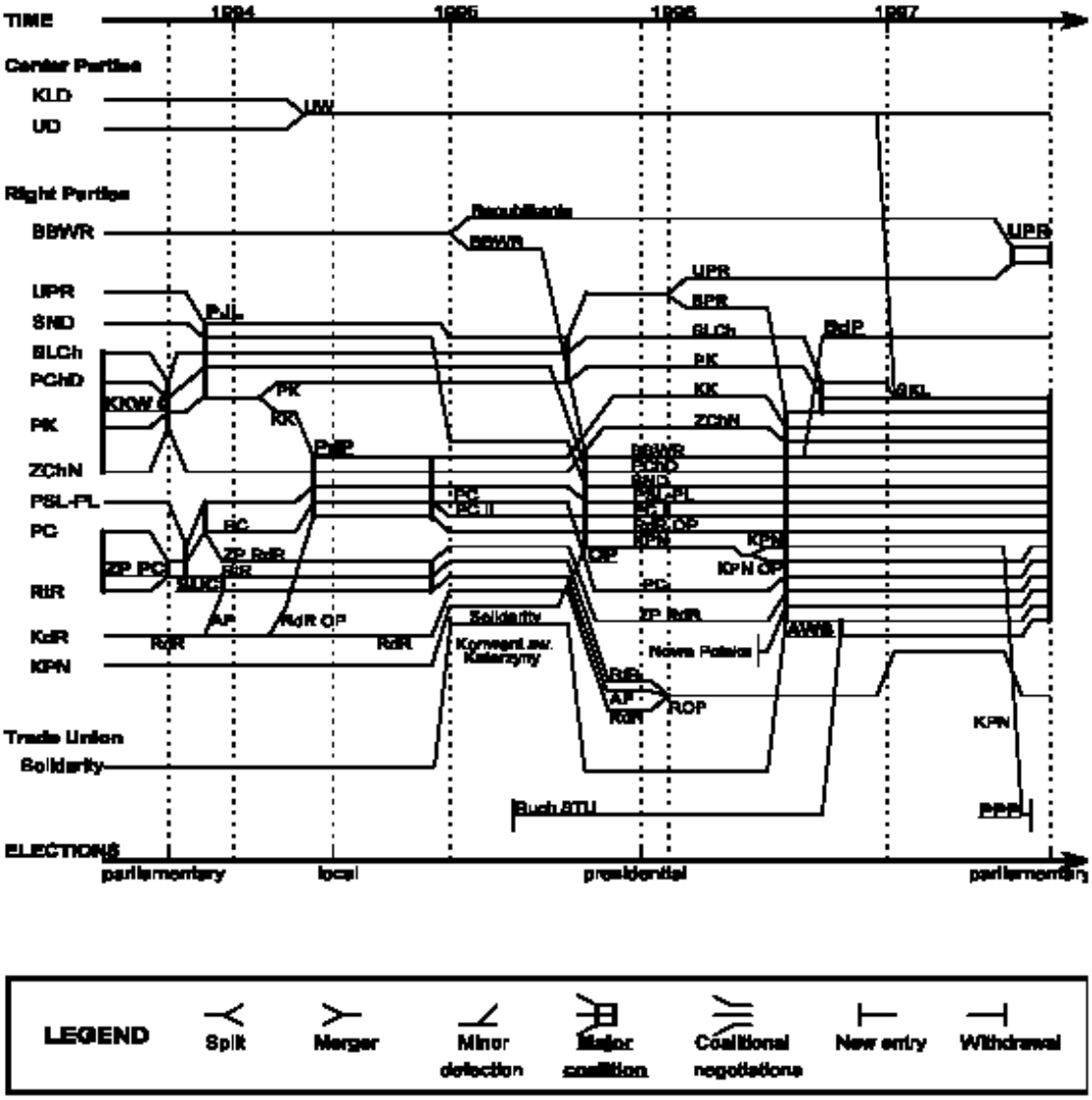
Figure 2 shows major splits, mergers, coalitions, entries of new parties, coalitional negotiations, defections, and withdrawals from race of the Right and Center parties in Poland between the 1993 and 1997 elections. Every line represents the story of coalitional, split, merger, etc. activity of a non-ephemeral political party or coalition on the Right or Center.[7] Consider for illustration a convoluted life path of one of the more interesting parties, PC. It formed a coalition ZPPC before the 1993 parliamentary elections that dissolved quickly after. Next the PC joined another coalition, SUC, but it soon quit and joined PdP for local elections. When PdP dissolved in late 1994, PC split. The smaller faction joined the coalition OP in mid-1995. When this coalition was transformed into the AWS, the larger faction joined as well as an AWS' founding member in mid-1996. Both PC's remained in the AWS coalition until the 1997 parliamentary elections.

The first serious attempt at consolidation, the long negotiations at St Catherine's Church, failed with no joint presidential candidate selected. The subsequent victory in the 1995 presidential election by a post-communist candidate provided a strong stimulus for consolidation. A relatively popular presidential candidate, Jan Olszewski, accomplished the first success of the rightist parties. Olszewski's popularity attracted considerable support in the polls for his new party, the ROP. The ROP's entry mobilized the remaining players on the Right who formed another broad coalition around the Solidarity trade union. The name AWS, Electoral Action Solidarity, included the magical word "Solidarity," which proved to be an excellent vehicle for promotion. In 1996, the AWS emerged as a focal point for the rightist electorate.

The consolidation of the Right resulted from a three-year search for a credible brand-name. The dynamics of learning explained in McKelvey and Ordeshook's model (1984) shows how an uninformed voter might use a poll to make an informed decision. When spatial positions of a cluster of small parties are virtually identical, voters are virtually indifferent among the parties and ready to vote strategically for the party which seems to be the most serious contender. Well-promoted coalescing offers them a "focal coalition". The existence of such a coalition induces more voters to strategically declare their support in polls, and the coalition gradually takes over a larger share of the cluster. Voters coordinate their intentions by learning about a new coalition's strength from polls or through media hype. A successful coalition displays a characteristic pattern of monotonic growth of support over time. For the ROP and the AWS, the support increased monotonically over the first several months since inception from 9% to 14%, and from 22% to 28%, respectively (OBOP 1996a, 1996b, 1997).

[7] Minor players, minor changes of players' identities or names, and players other than political parties (except for the Solidarity trade union) are omitted. Dates are approximate. Relative players' strength not shown. Figure taken from Kaminski (1998).

Figure 2. Cacophony on the Right



Note: The figure portrays the Major splits, mergers, coalitions, entries of new parties, coalitional negotiations, defections, and withdrawals from race of the Right and Center parties in Poland between the 1993 and 1997 elections.

Every line represents the story of coalitional, split, merger, etc. activity of a non-ephemeral political party or coalition on the Right or Center. Minor players, minor changes of players' identities or names, and players other than political parties (except for the Solidarity trade union) are omitted. Dates are approximate. Relative players' strength not shown.

Source: Kaminski (1998).

Sharing Seats and Stabilizing the Coalition

Even if parties figure out the benefits of coalescing and establish a solid name for their coalition, they still have to divide seats among themselves. Even if a sharing scheme is in place, heavy internal and external bargaining are inevitable. Until the deadline for registration of candidates, conflicts over the seat-shares can tear the coalition apart.

In all negotiations after the defeat in the 1993 elections, bargaining over seat-shares was the central part of the dispute. Marian Krzaklewski, the leader of the Solidarity trade union and the AWS coalition, worked out a marvelous solution to the sharing problem. Instead of proposing an exact sharing scheme in advance, Krzaklewski designed a set of institutions for intra-coalitional decision-making, with voting power allocated on the basis of a transparent scheme.

In the chief legislative and coordinating body of the AWS, the National Council, votes were allocated by a formula measuring the relative input of every partner to coalitional power. Krzaklewski, a computer scientist, operationalized the input of the partners with his own additive formula based on several variables, including poll estimates.[8] The essence of the scheme was that Solidarity had blocking power, but not winning power, in all national and regional executive and legislative bodies. To assure decisiveness, Krzaklewski assumed a dictatorial power to break the tie in the event of two voting stalemates over an issue (Krzaklewski and Raina 1997, p. 253; Graniszewski 1997).

Krzaklewski's solution offered to all members of the AWS coalition important Olsonian 'selective incentives' in the form of better media exposure that was associated with the brand name 'Solidarity'. Moreover, Solidarity was perceived as roughly equidistant to all Right parties, the political appetites of its activists were constrained by the trade union's internal rules, and Krzaklewski was regarded as an unbiased arbiter. His almost-dictatorial voting power was curbed by every member's exit power. Thus, all members of the coalition could reasonably expect that their seats under the AWS umbrella would be no smaller than under any of the alternative arrangements or unilateral action. Not specifying seat shares in advance moved potential conflicts and bargaining into the future when candidates were to be selected. In the meantime, the coalition focused on promoting the AWS brand name.

When positions on the AWS lists were allocated just before the 1997 elections, they disappointed many coalescents. Solidarity trade-unionists sneaked smoothly into the world of politics. With blocking power in all voting games, Solidarity's local branches formed minimal winning coalitions in districts with other AWS members and grabbed a disproportionate share of best places on district lists.[9] The position of trade-unionists was further improved by an ad hoc Solidarity-dominated Election Committee with a line-item veto power over the candidates.

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[8] Variables included membership, numbers of representatives in legislatures at all levels, territorial span, media access, know-how potential, input to local AWS organizations, votes in recent presidential and parliamentary elections, and the mean support in recent polls for parties and leaders. The weights given to different variables in the Krzaklewski's formula were not released to the public.

[9] A high position on a list greatly improved the 'electability' of a candidate. In the 1991 elections candidates on the top of alphabetical lists (i.e., lists considered random with respect to candidates relative popularity) received an average of 31% votes for the entire list; while for the next places the numbers were 19%, 13%, 10.5%, and 8% (Raciborski 1997, p. 235).

The victory of Krzaklewski's heresthetic was not easy. During the final weeks before the registration deadline for candidates, an extraordinary spectacle of threats took place. Almost every major partner threatened to exit. However, the exit threat of any single party turned out to be incredible. The AWS built such a strong brand name that a defection of one or two parties would not change its support. Solidarity spokesman Piotr Zak announced that "he did not expect any major deserters that might weaken the AWS [since] most such politicians would face oblivion outside the AWS umbrella." (CEO 1997)

The only somewhat successful threat was carried out by a large subcoalition parties that included PC, Ruch STU, KPN, BBWR-SwW, PN, KK and ChD-SP, whose leaders submitted names of candidates who should be removed, added, and moved up on the lists (Zdort 1997b). Some of the group's suggestions were accepted.

The second attempt to mobilize a strong sub-coalition failed. A KPN leader declared, "we got offers from the UPR [a minor libertarian coalition]. If BBWR-BdP and BBWR-SwW join us, we will pass the five percent threshold. Now, the seven-eight percent for us means 10-15 percent less for the AWS" (Zdort 1997c). However, the prospective partners accepted small advances from the AWS and the sub-coalition soon broke down. After failed negotiations with the UPR, the lonely dissenter, KPN, withdrew from the elections in face of a total defeat.

Conclusion

The dilemmas of political consolidation in new democracies are probably the most spectacular transition-specific phenomena. The features of 'collective action' problems arising among parties are strongly sensitive to the particulars of the electoral situation, such as electoral laws, numbers of parties, or the ideological locations of parties. One of such possible models was analyzed above.

The students of transitional politics gathered a lot of empirical material and worked out a few models that analyze various aspects of consolidation. However, we still know too little to build a full-scale, empirically testable general model of coalition formation that could help us to predict with reasonable accuracy whether the parties could solve their collective action problem. Nevertheless, we can offer some comparative statics and name the main variables facilitating consolidation. In Poland after the 1993 elections, one could notice the fast learning of politicians, the ample time that the parties had before the 1997 elections for evaluating the consequences of their actions and the marketing of their new coalitions, and the development of new estimation techniques by polling companies. Despite the shortage of theory one could re-interpret the apparently chaotic actions of politicians depicted in Figure 2 as a trial-and-error search for a most beneficial coalitional structure. The search resulted in a large political coalition that successfully competed in the elections and seized the political power until the next elections.

Appendix. Acronyms and English Names of Major Parties, Coalitions, and Organizations

AWS	Electoral Action Solidarity
BBWR	Non-Partisan Bloc for Supporting the Reforms
BdP	Bloc for Poland
CBOS	Center for Social Opinion Study (polling company)
KdR	Coalition for the Republic
KKW O	Country's Electoral Committee "Fatherland"
KLD	Liberal-Democratic Congress
KPN	Confederation of Independent Poland
MN	German Minority
NSZZ S	Solidarity Trade Union
OBOP	Center for Public Opinion Study (polling company)
PC	Centrum Alliance
PdP	Alliance for Poland
PJL	Alliance of 11th November
PSL	Polish Peasant Party
PSL-PL	Polish Peasant Party-Peasant Alliance
RdR	Movement for the Republic
ROP	Movement for the Reconstruction of Poland
SLD	Alliance of Democratic Left
SUC	Secretariat of Parties of the Right
UD	Democratic Union
UP	Labor Union
UPR	Real-politik Union; in 1997 election: Union of the Republic's Right
UW	Freedom Union
ZChN	Christian-National Union

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