Abbreviations Used in this Book

Abbreviations Used in Figures for Country Names

US	United States
JA	Japan
GE	(West) Germany
FR	France
IT	Italy
UK	United Kingdom
CA	Canada
AU	Austria
BE	Belgium
DE	Denmark
FI	Finland
GR	Greece
IR	Ireland
NE	Netherlands
NO	Norway
PO	Portugal
SP	Spain
SW	Sweden
SZ	Switzerland
AL	Australia
NZ	New Zealand

Other Abbreviations Used in this Book

ADF	Augmented Dickey-Fuller Test
CBI	Central Bank Autonomy and Conservatism (Index)
CWB	Coordinated Wage-Price Bargaining (Index)
KWS	Keynesian Welfare State
OLS	Ordinary Least-Squares Regression
PCSE	Panel-Corrected Standard-Error
s.e.e	Standard Error of the Estimate (Regression)
WLS	Weighted Least-Squares Regression

Data Appendices

Appendix I: Cross-Time and Cross-Country Comparable Index of Income Disparity[1]

To create an index of income disparity that is comparable across both time and country, we are forced to make some simplifying assumptions. This index is intended to clarify for the reader exactly the process by which the index is created and the assumptions under which it provides a good measure of income disparity, so that she may decide for herself how much credit to lend the measure.

First, though, I should clarify the distinction between income *disparity* and income *inequality* as I mean the former here and as the latter is generally understood. Simply put, income disparity is to refer to the *skew*--the third moment--of the income distribution, *i.e.* how much poorer the median person is than the average person. Income *inequality* is generally a broader concept, seeking to summarize the whole income distribution more completely. As such, it is usually referring to many of the higher moments of the income distrubition simultaneously: the variance (*i.e.*, how spread out is the population in terms of its income--the second moment); the skew, or *non-centeredness* of the distribution which we have just clarified; the kurtosis (fourth moment) which refers to how fat or thin the tails are (relative to a normal distribution), or, substantively, how numerous are the poor and rich relative to those around the average (loosely, the middle class); the combination of skew and kurtosis, substantively: how much fatter is the poor tail and thinner is the rich tail of the distribution; *etc.*

The measurement which I hold out as the ideal for the present exercise is the ratio of the

[1] I am indebted to Ashley Timmer for suggesting using some wage index as a proxy for median income.

average income in the economy to the median person's income (which is just the inverse of the proportionate skew). There are, of course, several alternatives one could consider as *the* appropriate income-*inequality* measure, *e.g.* the proportion of income going to the top or bottom quintiles, the proportion of the population earning less than some fraction of the average income (or less than some fixed level of income), a GINI summary index, *etc.*, but this is *the* appropriate measure of income *disparity*. The substantive importance of the average-to-median ratio is that, in median-voter contexts, as seen in Chapter II for example, it is this ratio and this ratio only on which the critical decision-making impetuses hinge. Thus, arguments built on the median-voter theorem simplify matters considerably since they reduce the necessary information (*i.e.*, the sufficient statistic) to a single moment, the skew.

The difficulty immediately arises that national and international data sources do not usually keep account of the median-person's income. The simple (and crucial) expedient on which we rely to evade this central difficulty is that manufacturing wages are used to proxy for the median income. Therefore, our measure of disparity is *perfectly* valid (*i.e.*, without error) if: (a) the average manufacturing worker is indeed the median-income person and her wages accurately reflect her income, or (b) if the plight of the manufacturing worker perfectly tracks that of the true median person, *i.e.* if the ratio of manufacturing wages to median income is constant (it does not have to be one). Suppose however that neither (a) nor (b) holds perfectly; we are still not completely sunk.

Consider factoring manufacturing wages into three components: a component which tracks (is predictable by) the plight of the median person, a component which tracks (is predictable by) the average-citizen's plight, and a unique component, so that we may write

manufacturing wages, MW, as a function of median income MI, average income AI, and some unique component, ε_{MW} as follows:

$$(DA1.1) \qquad MW = \beta_{MI} MI + \beta_{AI} AI + \varepsilon_{MW}$$

It is then straightforward to notice that MW/AI, which is our proposed index of disparity, is:

$$(DA1.2) \qquad \frac{MW}{AI} = \beta_{MI} \frac{MI}{AI} + \beta_{AI} + \frac{\varepsilon_{MW}}{AI}$$

which shows, for example, that if manufacturing wages track the median income perfectly, *i.e.* if (b) holds, then MW/AI is strictly proportional to MI/AI since β_{AI} and ε_{MW} will be zero. Equation DA1.2, though, shows a number of other facts which are true more generally. First, notice that the degree to which manufacturing wages track average instead of median income is basically harmless to our purposes. That will just mean a larger β_{AI} relative to β_{MI} which in turn means our index will be muted, understating movements in median-to-mean income, but getting them right up to a factor of proportionality (and the levels would be right up to a constant and a factor of proportionality). Second, the more dangerous deviation from assumption (b) is the degree to which manufacturing wages strike a path which does not covary (positively) with the median and/or average (*i.e.*, the term ε_{MW}). If the variance of this term is large relative to the covariances of the first two terms in equation DA1.1, then we can be mistaken considerably, but we're *still* not necessarily sunk. If these unique deviations can be viewed as random and independent of MI/AI, then we just have an inefficient measure, not a biased one. Substantively, if we are willing to assume (c) that the wages of manufacturing workers covary positively with median and

average income plus add some element which does not covary with these two, then we have an inefficient but unbiased measure.

Our measure can fail dangerously as a measure of skew, then, only if we think manufacturing wages reflect the plight of some specific income group whose movement over time and variation across country is not directly but rather inversely proportional to that of the median-income group, and that in a way not reflected by the average-income group. I find that highly unlikely. If the analyst thinks manufacturing wages are simply uncorrelated with median income, then the index is pure noise as a measure of disparity. I find that hard to believe as well. Even in these two cases, though, *i.e.* if the analyst will grant me none of conditions (a), (b), or (c) even as approximations, the index remains useful in itself as a measure of the relative position of the manufacturing worker, but it would then not be an appropriate measure of income disparity.

Assuming we are willing to grant MW/AI assumption (a), (b), or (c) at least to some degree, or that we care about the relative wage-position of manufacturing workers *per se*, let me describe how I have measured it. We begin with the index of *nominal* manufacturing wages kept internationally (currently on a 1990=100 basis) by the IMF in its International Financial Statistics (the March 1996 CD-ROM version is employed). The data are nearly complete for 21 OECD countries (US, Japan, Germany, France, Italy, UK, Canada, Austria, Belgium, Denmark, Finland, Greece, Ireland, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Australia, and New Zealand) from 1950 through 1995. A very small number of data points were forecasted (forward and backward) using country-specific AR(2) log-log regressions. These few estimated data points should be infrequent enough to be irrelevant for most purposes, but they

are indicated in the data set should the analysts wish to reconsider their use.

Likewise, from the same source, we take population and *nominal* GDP and create an index of nominal GDP *per capita* equal to 100 in 1990. Now we have the two key variables we need: an index of nominal manufacturing wages (NWX) and an index of nominal GDP *per capita* (NGDPCX). For reasons that will become clear in a moment, we move the index year to 1986 simply by dividing each observation on each variable by that country's 1986 value for that variable. This has no effect on utility of either index. At this point, the ratio NGDPCX/NWX is a perfect, country-specific index of income disparity under the conditions (a) or (b) mentioned above. It is a good approximation under some version of condition (c). Call this the *relative wage-position of manufacturing workers, country specific* (RWPMWC). It is 1 in 1986 for each country, and thus measures the position of manufacturing workers in each country-year relative to their position in 1986 in that country. Higher numbers mean a more unfavorable comparison with that base year (greater disparity). If the analyst desires an index comparable only across time within countries, it is recommended that RWPMWC be used as it minimizes assumptions relative to the internationally comparable index to be described next.

To make the index comparable across space as well, we are hindered by the manner in which RWPMWC measures disparity only relative to the disparity in that country in 1986. That is, RWPMWC is fixed at 1 for all countries in 1986; thus it is clearly not comparable across countries unless we are willing to assume that disparity was the same in all countries in 1986. We are aided in the next step, however, by the careful work of the Luxembourg Income Study (LIS) reported in *OECD Social Policy Studies #18* (1995). That study was conducted specifically to create cross-country comparable measures of income disparity. It, unfortunately,

does not cover more than two years and 15 countries (16 if you include Luxembourg), nor does it include a measure of manufacturing wages relative to GDP *per capita*.

Thus, we must stretch a bit further in our assumptions. Suppose for the moment that the LIS reported, say, a GINI index for all 21 countries in 1986. Then, under the assumption that (d) the position of countries on a GINI scale in 1986 is proportional (again, the factor of proportionality need not be one) to their positions on the relative wage-position of manufacturing workers in that year, we can make RWPMWC internationally comparable merely by multiplying by the GINI index for that country in 1986. Therefore, what we would like is an internationally comparable GINI index in 1986. We do not need other years because RWPMWC already gives us disparity relative to 1986 for each country; so, if we get 1986 internationally comparable, the cross-time-comparable nature of the process generating RWPMWC will be sufficient to generate an index comparable across both time and space.

The procedure for generating a cross-nationally-comparable GINI index for 1986 was as follows. If the LIS provides a measure for 1986, it is used. If the LIS provides measures for two years which straddle 1986, the gap is bridged by linear extrapolation and the 1986 figure from that extrapolation is used. The closer of the two observations provided in this case is never more than 2 or 3 years away, so the extrapolation should be accurate enough for most purposes. If the LIS provides 2 years which do not straddle 1986 but lie reasonably close to it (a couple of years), they are extended by linear trend to 1986. If the LIS provides a measure for only one year, and that year is reasonably close to 1986, it is used. If the LIS is of no help, we are aided by other comparative studies, some of which the LIS summarizes and the rest of which were summarized in Lane *et al.* (1991). Using these other sources, we obtain an average

of the GINI indices reported. If the 1986 average is available, it is used. If not, the same extrapolation procedures just described for the LIS measures were employed. In almost all cases (the potential exception is Greece which has only one measurement constructed by any source and it was some time ago), I would consider the resulting measures reliable enough for most purposes. Nonetheless, a set of indicator variables are included in the data set which enable the analyst to determine exactly how each measure was constructed and evaluate the procedure for herself. Now, we have a complete set of GINI measures for 1986; these are converted into a relative index by dividing each measure by that for the US.

The result is a conversion factor which enables us to convert RWPMWC to an index measured relative to the US in 1986 simply by multiplying the latter by the former. This final result, RW is an index comparable across both time and space if conditions ((a) or (b) or (c)) and (d) are met. It measures income disparity (skew), as reflected in the relative wage position of the manufacturing worker, relative to the US 1986. A higher number than one is an unfavorable (more disparity) comparison.

To my knowledge, this presents the broadest-coverage, broadest-comparability, cross-nationally and cross-temporally variant, income disparity index currently available. I am confident that it is sufficiently high quality to be employed by analysts, but, as noted, I have provided all the necessary information for each analyst to make that judgement for herself. It remains to be noted, as a reminder, only that the measure is a relative one (relative to the US 1986); it has no absolute reference at this point. The data itself is given in machine-readable format in DA4; some descriptive statistics and graphics follow.

Descriptive Statistics for RW, Whole Sample
21 Countries, 1948-1995

Maximum	Minimum	Std Dev	Median	Average
1.8014	0.2570	0.2269	0.7996	0.8159

Descriptive Statistics for RW by Country (1948-1995)					
Country	**Maximum**	**Minimum**	**Std Dev**	**Median**	**Average**
US	1.2232	0.6794	0.1527	0.8208	0.8588
JA	0.8612	0.2647	0.1930	0.6924	0.6255
GE	1.0425	0.5595	0.1329	0.7878	0.8181
FR	1.1411	0.8330	0.0905	0.9979	0.9992
IT	1.0770	0.6925	0.0958	0.8607	0.8714
UK	0.9760	0.8437	0.0308	0.9226	0.9197
CA	0.9295	0.6452	0.0741	0.7499	0.7597
AU	0.9671	0.3271	0.1124	0.8966	0.8647
BE	0.8810	0.6003	0.0702	0.7653	0.7511
DE	0.7918	0.2570	0.0885	0.7472	0.7215
FI	0.6462	0.2744	0.0838	0.5041	0.4945
GR	1.8014	0.6514	0.2242	1.3372	1.2844
IR	1.2485	0.8718	0.0822	0.9571	0.9804
NE	0.8498	0.5885	0.0559	0.7222	0.7244
NO	0.7396	0.5131	0.0635	0.5859	0.6139
PO	1.3529	0.4434	0.2711	0.5439	0.6978
SP	1.5180	0.8800	0.2065	1.0930	1.1721
SW	0.6380	0.4324	0.0567	0.5215	0.5368
SZ	1.0109	0.5050	0.1414	0.8640	0.8115
AL	0.9721	0.6359	0.0643	0.8147	0.8205
NZ	1.0423	0.6107	0.1293	0.7805	0.8070

Descriptive Statistics for RW by Year (21 Countries)					
Year	**Maximum**	**Minimum**	**Std Dev**	**Median**	**Average**
1948	1.0532	0.2570	0.2170	0.6359	0.6363
1949	0.9991	0.3231	0.1981	0.6656	0.6621
1950	1.1079	0.3145	0.1997	0.7149	0.7106
1951	1.0635	0.2894	0.1969	0.7248	0.7293
1952	1.0985	0.2707	0.2090	0.7330	0.7327
1953	1.1572	0.2647	0.2308	0.7272	0.7463
1954	1.2435	0.2715	0.2362	0.7482	0.7520

1955	1.3360	0.2741	0.2494	0.7485	0.7702
1956	1.4341	0.2913	0.2651	0.7419	0.7836
1957	1.4353	0.3253	0.2752	0.7372	0.7867
1958	1.5180	0.3278	0.2845	0.7496	0.7781
1959	1.4608	0.3558	0.2696	0.7549	0.7780
1960	1.3906	0.4475	0.2549	0.7548	0.7990
1961	1.4602	0.4496	0.2646	0.7533	0.8114
1962	1.4344	0.4449	0.2570	0.7609	0.8054
1963	1.4006	0.4502	0.2545	0.7822	0.8151
1964	1.4765	0.4543	0.2654	0.7945	0.8268
1965	1.5374	0.4721	0.2682	0.7921	0.8338
1966	1.4984	0.4777	0.2597	0.7909	0.8289
1967	1.4303	0.4713	0.2462	0.7959	0.8242
1968	1.4017	0.4644	0.2439	0.8079	0.8317
1969	1.4541	0.4613	0.2570	0.8162	0.8500
1970	1.5537	0.4668	0.2573	0.8120	0.8555
1971	1.5777	0.5018	0.2573	0.7864	0.8459
1972	1.6066	0.4954	0.2598	0.7981	0.8527
1973	1.8014	0.5095	0.2821	0.8213	0.8705
1974	1.6441	0.5088	0.2506	0.7840	0.8440
1975	1.5368	0.5068	0.2264	0.7818	0.7983
1976	1.4509	0.5032	0.2049	0.7948	0.8018
1977	1.3903	0.5110	0.1917	0.7740	0.8002
1978	1.3472	0.5214	0.1799	0.7945	0.8064
1979	1.3589	0.5424	0.1739	0.8270	0.8192
1980	1.2557	0.5689	0.1520	0.8310	0.8131
1981	1.1729	0.5572	0.1428	0.8308	0.8065
1982	1.0965	0.5724	0.1291	0.7862	0.7914
1983	1.0917	0.5788	0.1240	0.8142	0.8026
1984	1.0645	0.5922	0.1202	0.8332	0.8202
1985	1.0736	0.5968	0.1218	0.8596	0.8350
1986	1.1349	0.5992	0.1345	0.8710	0.8516
1987	1.1740	0.6095	0.1473	0.9044	0.8624
1988	1.1948	0.6301	0.1527	0.9275	0.8888
1989	1.1476	0.6298	0.1578	0.9295	0.9085
1990	1.1467	0.6194	0.1625	0.9314	0.9108
1991	1.1874	0.5388	0.1822	0.8800	0.8935

1992	1.2083	0.5218	0.1928	0.8689	0.8894
1993	1.2594	0.5038	0.2045	0.8871	0.8860
1994	1.3068	0.5021	0.2115	0.8974	0.8992
1995	1.3529	0.5044	0.2220	0.8898	0.9155

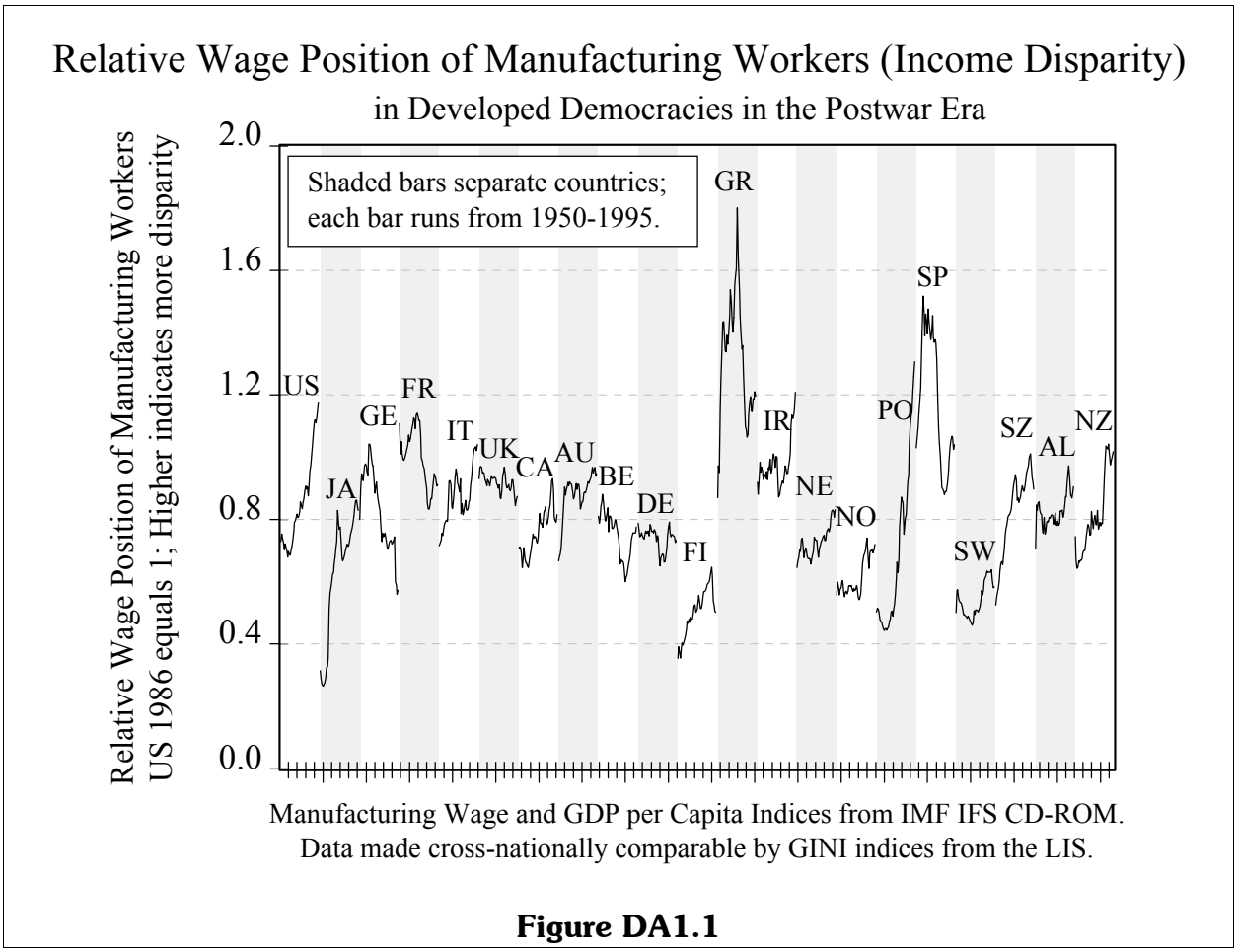

Figure DA1.1

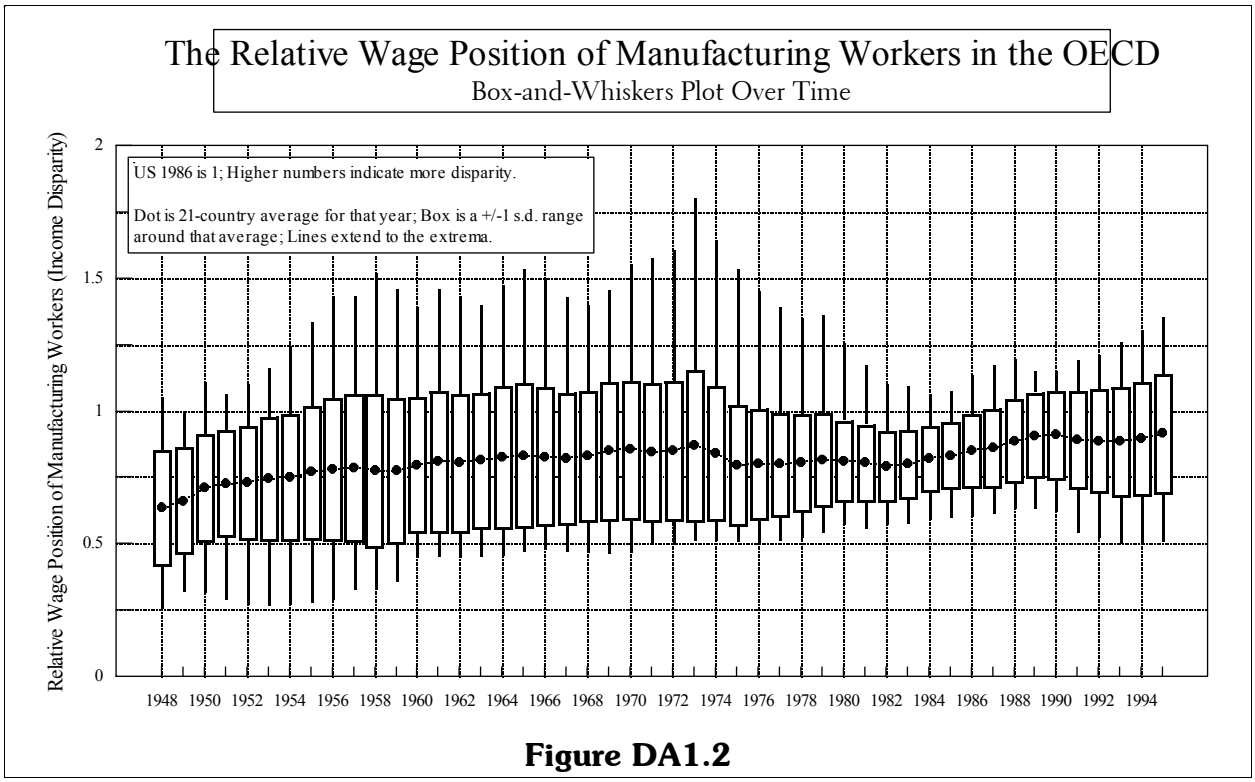
The Relative Wage Position of Manufacturing Workers in the OECD
Box-and-Whiskers Plot Over Time
US 1986 is 1; Higher numbers indicate more disparity.
Dot is 21-country average for that year; Box is a +/-1 s.d. range around that average; Lines extend to the extrema.
Relative Wage Position of Manufacturing Workers (Income Disparity)
0
0.5
1
1.5
2
1948 1950 1952 1954 1956 1958 1960 1962 1964 1966 1968 1970 1972 1974 1976 1978 1980 1982 1984 1986 1988 1990 1992 1994

Figure DA1.2

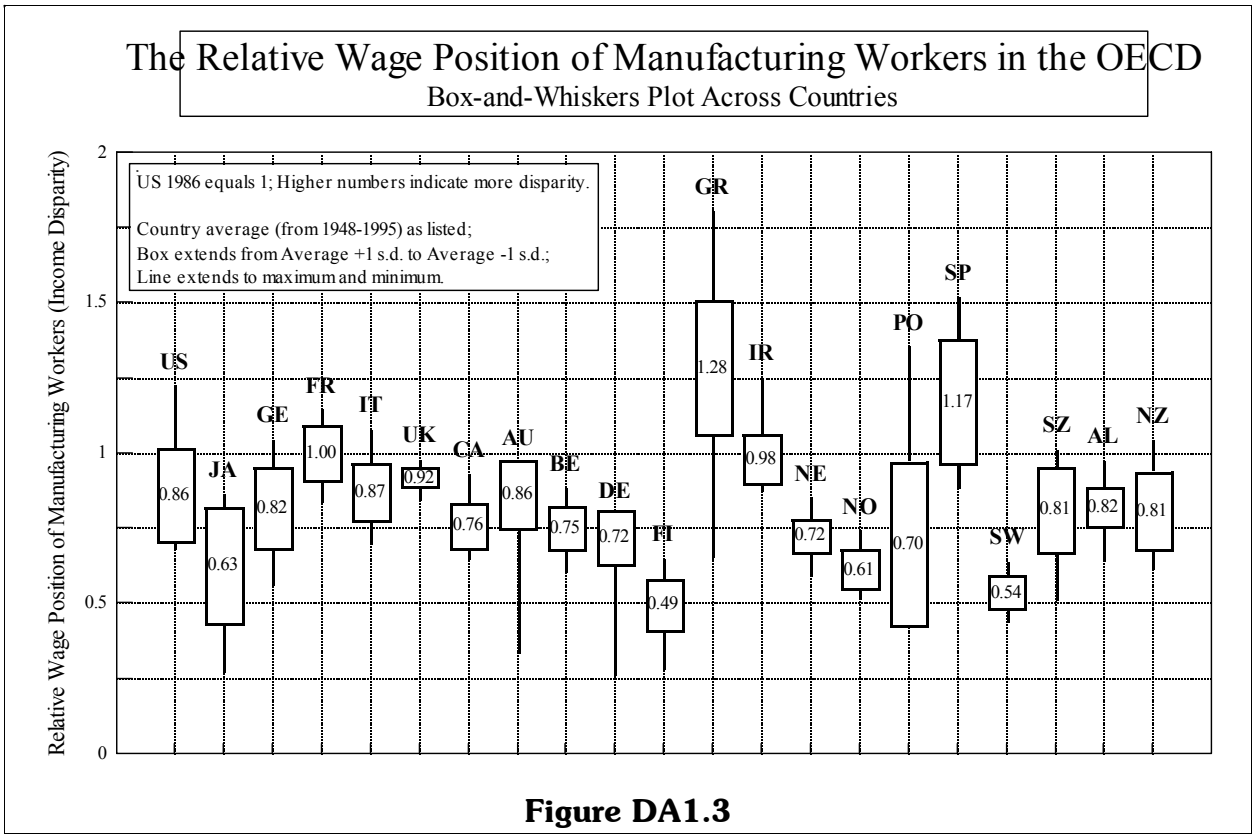
The Relative Wage Position of Manufacturing Workers in the OECD
Box-and-Whiskers Plot Across Countries
US 1986 equals 1; Higher numbers indicate more disparity.
Country average (from 1948-1995) as listed;
Box extends from Average +1 s.d. to Average -1 s.d.;
Line extends to maximum and minimum.
Relative Wage Position of Manufacturing Workers (Income Disparity)
2
1.5
1
0.5
0
US
0.86
JA
0.63
GE
0.82
FR
1.00
IT
0.87
UK
0.92
CA
0.76
AU
0.86
BE
0.75
DE
0.72
FI
0.49
GR
1.28
IR
0.98
NE
0.72
NO
0.61
PO
0.70
SP
1.17
SW
0.54
SZ
0.81
AL
0.82
NZ
0.81

Figure DA1.3

Appendix II: Party Left-Right Positioning in Developed Democracies since WW II

The process of placing each party that has been in government in the OECD since World War II on a left-right scale begins, of course, by identifying those parties. Lane *et al.* (1991) and Woldendorp, Keman, and Budge (1994) do so for us (*en route* to describing the composition of each postwar government to which we shall also have recourse). Table DA2.1 which follows lists these parties and the years they shared in government. It also indicates some notes regarding (a) how parties which were not coded elsewhere will be coded here, (b) how ambiguos groupings like the CDU/CSU in Germany and the French *tendences* were treated, and (c) some brief historical notes about the evolution of some obscure or (relatively) long-extinct parties. (I do not claim much expertise in any of these party systems specifically; therefore, I have relied extensively on country-specific treatments elsewhere in the literature to extend the codings offered by Laver and Schofield (1991) and their secondary sources, Laver and Hunt (1992), Lane *et al.* (1991), and Woldendorp *et al.* (1994) as necessary.)

Table DA2.1 **Parties in Government (Cabinets+Presidents) Postwar Era**

Country	Party	Long Name	Years in Cabinet
US	Dem	Democrats	45-53,61-69,77-81
	Rep	Republicans	53-61,69-77,81-93
JA	Lib	Liberal Party	46-55
	Prog	Progressive Liberal Party	49-52
	LDP	Liberal Democratic Party (merger of Lib and Prog)	55-?
	SDP	Social Democratic Party / Japan Socialist Party	
	JRP	Japan Renewal Party (Shinsei To) / Remnants of Clean Government Party (?)	
	Komei	Komei Religious Party	
	JNP	Japan New Party (Nihon Shin To) / Remnants of Clean Government Party (?)	
	DSP	Democratic Socialist Party	
	Sakigake	Sakigake Party	
	UDS	United Democratic Socialists (Social Democratic Foundation)	

	Citizens	Various Independents	
Note: Lib's and Prog's unite to make LDP, so .5lib+.5prog=LDP; For COG purposes we know Progs < 10; I arbitrarily choose 9.25 to get scores for Lib and Prog.			
GE	CDU/CSU	Christlich Demokratische Union / Christlich Soziale Union	49-69,82-?
	FDP	Freie Demokratische Partei	49-57,61-66,69-?
	DP	Deutsche Partei	49-61
	GB/GP/BHE	Gesamtdeutscher Block/Partei / Bund der Heimatververtriebenen und Entrechteten	53-57
	SDP	Sozialdemokratische Partei Deutschlands	66-82
Note: CDU/CSU is average of CDU and CSU for those sources which list them separately for COG purposes.			
FR	UNR	Union pour la Nouvelle Republic	59-68
	ARS	Action Republicaine et Sociale	53-54
	UDR	Union des Democrates pour le Progres	68-78
	RpR	Rassemblement pour la Republique	78-81,86-88
	Gaull	Gaullistes	54-55
	MRP	Mouvement Republicain Populaire (merges into CD)	44-46,47-55,57-62
	RadSoc	Radical Socialist Party (PRRS)	44-46,47-62,76-81
	SocInd	Independent Socialists	47-48
	Indep	Various Independents	48-55,57-81,88-?
	UDSR	Union Democratique et Socialiste de la Resistance (Pleven's and Mitterand's Party)	
	SFIO	Section Francais de l'Internationale Ouvriere	44-48,48-50,51,56-58
	Pays	Paysan (Part of CNIP *Tendence*)	51-55
	RGR	Rassemblement des Gauches Republicaines	51,54-55,57-58
	URAS	Union des Republicains d'Action Sociale	53-54
	Gd	Giscardistes	66-67
	PDM	Progres et Democratie Moderne (B of CD: Duhamel)	68-78
	CDP	Center for Democracy and Progress	69-72
	MRG	Movement of Left Radicals	72-74
	CDS	Central Social Democratic Party	74-76,81-86,88-?
	PS	Partie Socialiste	81-86,88-?
	PCF	Partie Communiste Francais	81-84
	PSU	United Socialist Party (a bit left of PS)	83-86
	PR	Partie Republicaine	86-88
	UDF	Union pour la Democratie Francaise (Giscardian)	88-?

Note: The following codes from various sources are translated as indicated for COG purposes. Rad=MRG; PSU=SFIO=.5PSI+.5PCF; PDM=MRP=CDP=CDS;CNIP=Conservatives=PR=Paysans=Indep Reps=Gd; Gaullists=UDR=UNR=RPF=RpR=ARS=URAS; Ind Soc = .5*5+.5*PS;RGR=.5*RadSoc+.5*UDSR			
IT	DC	Democrazia Cristiana	46-?
	PSLI	Partito Socialista de Lavoratori Italiani	47-51
	PRI	Partito Repubblicano Italiano	46-47,47-53,62-76, 79-?
	PLI	Partito Liberale Italiano	47-50,54-57,72-73, 79-?
	PSDI	Partito Socialista Democratico Italiano	54-59,62-68,70-74,79-?
	PSI/PSU	Partito Socialista Italiano / Partito Socialista Unificato	46-47,64-74,80-?
	PCI	Partito Communista Italiano	46-47
Note: PSLI=.5*PSI+.5*PSDI for COG purposes.			
UK	Lab	Labour Party	45-51,64-70,74-79
	Cons	Conservative Party	51-64,70-74,79-?
CA	Lib	Liberal Party	45-57,63-79,80-84
	Cons	Progressive Conservative Party	57-63,79-80,84-?
AU	SPÖ	Sozialiste Partei Österreichs	45-66,70-?
	ÖVP	Österreichische Volkspartei	45-70,87-?
	FPÖ	Freiheitliche Partei Österreichs	83-87
	KPÖ	Kommunistische Partei Österreichs	45-47
BE	CVP/PSC	Christelijke Volkspartij / Parti Social Chretien	45,47-54,58-?
	BSP/PSB	Belgische Socialistische Partij / Parti Socialiste Belge	45-49,54-58,61-66, 68-74,77-81,88-?
	PVV/PLP	Partij voor Vrijheid en Vooruitgang / Partie de la Liberte et du Progres	45-47,49-50,54-58, 58-61,66-68,73-77, 80,81-88
	RW	Rassemblement Wallon	74-77
	FdF	Front (Democratique) des Francophones	77-80
	VU	Volksunie	77-79,88-?
	PCB/KPB	Parti Communiste de Belgique / Kommunistische Partij van Belgie	45-46
Note: Parties Split in 1/72; PLP becomes PRL in 12/81; PS/SP is same as BSP/PSB; Walloon Labor = RW for COG Purposes			
DE	SD	Socialdemokrateit	45,47-50,53-68, 71-73,75-82
	V	Venstre	45-47,50-53,68-71, 73-75,78-79,82-?
	KF	Konservative Folkeparti	45,50-53,68-71,82-?

	RV	Radikale Venstre	45,57-64,68-71,88-?
	Rfb	Retsforbundet	57-60
	KrF	Kristeligt Folkeparti	82-88
	CD	Centrum-Demokraterne	82-88
	DKP	Danmarks Kommunistiske Parti	45
	Others	Various Independents	45
FI	SDP	Suomen Sosialdemokraattinen Puolue	45-50,51-53,54-57, 58-59,63-64,66-76, 77-?
	Kesk	Keskustapuolue	45-48,50-53,54-63, 64-72,72-87
	LKP	Liberaalinen Kansanpuolue	45-46,50-54,56-57, 58-59,62-63,64-66, 70-72,72-79
	SFP	Svenska Folkparteit	45-48,50-54,56-57, 58-61,62-63,64-66, 68-72,72-78,79-?
	Kok	Kansallinen Kokomos	53-54,58-59,62-63,64-66,70,71-72,75,87-?
	TPSL	Tyovaen Ja Pienviljelijain Sosialdemokraattinen Liitto	58,66-70
	SHDL	Suomen Kansan Demokraattinen Liitto	45-48,66-70,70-71,75-76,77-82
	SMP	Suomen Maaseudun Puolue	83-?
		Note: TPSL coded as .5*SDP+.5*SKDL	
GR	PK	Liberal Party	47-50,50-52
	LK	People's Party	50-51
	Socdem	Democratic Socialist Party (Center Union)	50-51
	KF	Progressive Party	46-47,47,50,51-52
	ERE	National Radical Union	52-58,58-63,65-66
	Indep	Various Independents	46,47,50,52,58,63, 66-67,74
	Edhik	Union of the Centre	63-66,74
	Civil	Civilian Caretakers	67,73-74
	Mil	Military	67-73
	ND	New Democracy	74,74-81,89-?
	Pasok	Pan-hellenic Socialist Movement	81-89,89-?
	KKe	Communist Party of Greece	89-?
		Notes: EP = ERE; Dem Soc = Edhik (which it basically later becomes); PK = ND (same story); LK goes on to both ND and ERE, so .5*(ND+ERE); KF joins to Center Union later.	
IR	FG	Fine Gael	48-51,54-57,73-77, 81-82,82-87

	FF	Fianna Fail	44-48,51-54,57-73, 77-81,82,87-?
	ILP	Irish Labour Party	54-57,73-77,81-82, 82-87
	CP	Clann Na Poblachta	48-51
	CT	Clann Na Talmhan	48-51,54-57
	PD	Progressive Democrats	89-?
NE	KVP	Katholieke Volkspartij	46-77
	PvdA	Partij van der Arbeid	46-58,65-66, 73-77,81,89-?
	CHU	Christelijk-Historische Unie	48-65,67-73
	VVD	Volkspartij Voor Vrijheid En Democratie	48-52,59-65,67-73, 77-81,82-89
	ARP	Anti-Revolutionaire Partij	52-77
	DS-70	Democratische Socialisten '70	71-73
	D-66	Democraten '66	73-77,81
	PPR	Politieke Partij Radicalen	73-77
	CDA	Christen Democratisch Appel	77-?
Note: Where sources coded them separately only, CDA=avg of KVP, CHU, ARP from which it was formed.			
NO	DNA	Det Norske Arbeiderparti	45-63,63-65,71-72, 73-81,86-89
	H	Hoyre	63,65-71,81-86,89-?
	V	Venstre	63,65-71,72-73
	SP	Senterpartiet	63,65-71,72-73, 83-86,89-?
	KrF	Kristeligt Folkeparti	63,65-71,72-73, 83-86,89-?
PO	Pro-c	Various Pro-communists	74-75,75
	PS	Partido Socialista Portugues	75,75-78,83-85
	PCP	Partido Comunista Portugues	75,75-76
	PDP	Partido Democratico Popular (later becomes PSD)	75,75-76
	MDP-CDE	Movimento Democratico Portugues	75
	Indep	Various Independents	75,78-80
	CDS	Partido Centro Democratico Social	78,80-83
	PSD	Partido Social Democrata	80-85,85-?
	PPM	Partido Popular Monarquico	80-83
	Dict	Dictatorship	45-74
Note: Procomm=.5*PCP; PPM=.5*CDS+.5*10 for COG purposes.			
SP	UCD	Union del Centro Democratico	76-82
	PSOE	Partido Socialista Obrero Espanol	82-?

	PSC	Partido Socialista de Catalunya	82-86
	Dict	Dictatorship	45-76
		Note: PSC=PSOE for COG purposes.	
SW	SAP	Socialdemokratiska Arbetarpartiet	45-76,82-?
	BF	Bondeforbundet (becomes CP later)	51-57
	CP	Centerpartiet	76-78,79-82
	M	Moderata Samlingspartiet	76-78,79-81
	FP	Folkpartiet	76-82
		Note: BF=CP (which it later renames itself) for COG purposes.	
SZ	FDP	Freisinnige-Demokratische Partei	47-?
	CVP	Christlich Demokratische Volkspartei	47-?
	SVP	Schweizerische Volkspartei	47-?
	SPS	Sozialdemokratische Partei der Schweiz	47-53,59-?
AL	LIB	Australian Liberal Party	49-72,75-83
	NAP	National Alliance Party	49-72,75-83
	ALP	Australian Labor Party	45-49,72-75,83-?
NZ	LP	Labour Party	40-49,57-60,72-75, 84-?
	NP	National Party	49-57,60-72,75-84

Next we need some coding structure which places parties on a left-right spectrum. Laver and Schofield (1991) provide a listing of several prominent scales developed by "expert" party scholars. Laver and Hunt (1992) provide the results of a survey asking respondents to place parties on a various policy-defined continua. Of these, "increase spending *versus* cut taxes" and "public ownership *versus* all private ownership" are the best suited to our needs. Using all of these left-right scales, we can average over available indexes (properly scaled) to obtain reasonable placements of each party.

As will be seen, the resulting data base covers the entire OECD less Iceland, Luxembourg, and Turkey from the first post-war democratic government through 1993 or 1994. Most parties were indexed by more than one author; in these cases, each index was scaled to 0-10 and then all available measures were averaged. Assuming differences between

and across codings of the same party and between the coding and the "true" position of the party to be simple measurement error, this averaging process should have the benefit of reducing the variance of that error. To this I added some of my own codings where a (very) few parties were not previously coded. I relied extensively upon country-specific sources to do so. Such parties were, of course, invariably minor and brief actors in government (since otherwise surely someone more qualified would have coded them already), so it will generally be of little consequence if I am somewhat less accurate in placing them. Table DA2.2 below gives the original codings and the average index plus my extensions which I employ. I had to code a small number of parties myself as previous sources had not done so.

This coding system has two main weaknesses. First, it represents parties as being time-invariant in their left-right positioning. Clearly, this is false, but sufficient data to rectify the problem are not yet available across a large number of country-years. Considering the party codings to be their average position over the post-war period will have to suffice for the present. I am currently in the process of improving the present measure using the Comparative Manifestoes Project data (my gratitude to Hans-Dieter Klingemann for providing me the data) which codes election manifesto data in several countries over time to produce a like measure. The CMP data as yet covers fewer relevant countries unfortunately so would require considerable sacrifice of available data, but it is arguably a more objective source of data than expert indices. Second, many but not all of the original coding systems paid attention to across-country comparability in party placement. Accordingly, users of this data should take care to establish, at least, that their results are robust to the inclusion of country fixed-effects. Such robustness should allay to some extent fears arising from the questionable cross-country

comparability of the final index.

Owing to the work, then, of Laver and Hunt (1992), Laver and Schofield (1991), Dodd (1976), Castles and Mair (1984), Laver and Budge (1992),[2] Sani and Sartori (1983), Morgan (1976),[2] Inglehardt and Klingemann (1987),[2] Mavgordatos (1984), Bruneau and MacCleod (1986), Blair (1984), Kerr (1987),[2] Taylor and Laver (1973),[2] Browne and Dreijmanis (1982),[2] and de Swaan (1973),[2] with some minor additions of my own, Table DA2.2 gives all the party codes.

Table DA2.2: Party Left-Right Positioning Codes

Ctry	Prty	Laver and Hunt Survey Results			Left-Right Position *Scales* from Various Sources									COG	Left-Right Position *Rankings*		
		IS v CT	P v A P.O.	AVG	Dodd	Cand M	Land B	Sand S	Morg	land K	Mavg	Band M	Blair	Kerr		Tand L	Band D	dS
US	DEM	6.34	13.03	4.84		4.80									**4.82**			
	REP	15.71	17.97	8.42		6.80									**7.61**			
JA	Lib			8.55											**8.55**			
	Prog			9.25											**9.25**			
	LDP	17.00	18.60	8.90											**8.90**			
	SDP	4.67	6.00	2.67											**2.67**			
	JRP	7.00	12.67	4.92											**4.92**			
	Komei			7.35											**7.35**			
	JNP	7.00	12.67	4.92											**4.92**			
	DSP	9.33	11.60	5.23											**5.23**			
	Saki-gake			7.35											**7.35**			
	UDS	10.50	12.67	5.79											**5.79**			
Note: Libs and Progs unite to form LDP, so let .5Lib + .5Prog = LDP. Progs must be less than 10 (dictatorship) but they are right of LDP. I set them (arbitrarily) to 9.25 to get Lib and Prog scores from LDP scores.																		
GE	CDU / CSU	13.53	13.56	6.77	5.00	7.30	5.90	7.00		7.40					**6.56**	2.00	2.00	
	FDP	15.68	17.38	8.27	6.43	5.10	6.60	5.80		5.50					**6.28**	3.00	3.00	
	DP				6.43		7.00								**6.71**	4.00		
	GB / GP / BHE				6.43										**6.43**	5.00		
	SDP	6.53	8.13	3.67	2.86	3.30	4.30	4.50		4.40					**3.84**	1.00	1.00	
Note: CDU and CSU considered one party. Index scores are the average of CDU and CSU scores for those authors listing separately; GB, GP, and BHE taken to be one entity.																		
FR	UNR	14.00	16.07	7.52	4.29	8.20	6.00	7.30	7.00	7.20					**6.79**			

[2] As cited in Laver and Schofield (1991), Appendix B.

	ARS	14.00	16.07	7.52	4.29	8.20	6.00	7.30	7.00	7.20					**6.79**				
	UDR	14.00	16.07	7.52	4.29	8.20	6.00	7.30	7.00	7.20					**6.79**				
	RpR	14.00	16.07	7.52	4.29	8.20	6.00	7.30	7.00	7.20					**6.79**				
	Gaull	14.00	16.07	7.52	4.29	8.20	6.00	7.30	7.00	7.20					**6.79**				5.00
	MRP				3.57	3.80	5.10	5.30	4.30						**4.41**				3.00
	Rad S				5.00				6.70						**5.85**				
	S Ind			4.30	3.93	3.80	3.50	4.40	3.70	4.45					**4.01**				
	Indep			5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	**5.00**				
	UDSR				5.00										**5.00**				
	SFIO	4.43	4.57	2.25	2.14	2.00	1.55	3.00	1.20	3.25					**2.20**				
	Pays				7.14	8.60	8.40								**8.05**				
	RGR				5.00				5.85						**5.43**				
	URAS	14.00	16.07	7.52	4.29	8.20	6.00	7.30	7.00	7.20					**6.79**				
	Gd				7.14	8.60	8.40								**8.05**				
	PDM				3.57	3.80	5.10	5.30	4.30						**4.41**				
	CDP				3.57	3.80	5.10	5.30	4.30						**4.41**				
	MRG	8.87	10.14	4.75	5.71	3.80	5.60		5.10	4.50					**4.91**				4.00
	CDS				3.57	3.80	5.10	5.30	4.30						**4.41**				
	PS	6.73	7.67	3.60	2.86	2.60	2.00	3.80	2.40	3.90					**3.02**				2.00
	PCF	2.13	1.47	0.90	1.43	1.40	1.10	2.20	0.00	2.60					**1.38**				1.00
	PSU	4.43	4.57	2.25	2.14	2.00	1.55	3.00	1.20	3.25					**2.20**				
	PR				7.14	8.60	8.40								**8.05**				6.00
	UDF	13.57	16.40	7.49		6.60									**7.05**				

Note: The French *tendences* make things difficult both because its hard to follow a "party" through French history and because various authors call the same "parties" by different names. My attempt to sort it all out is as follows ("=" means the groups are considered one entity):
RAD = MRG; PSU = SFIO = .5PSI + .5PCF; PDM = MRP = CDP = CDS; CNIP = "Conservatives" = PR = Paysans = Ind Rep = Gd;
Gaullists = UDR = UNR = RPF = RpR = ARS = URAS; Ind Soc = .5*5 + .5*PS; RGR = .5*RadSoc + .5*UDSR; Independents as always are 5.

IT	DC	11.00	10.38	5.35	4.29	5.40	5.40	5.90	5.70	5.60					**5.38**	4.00	4.00	4.00	
	PSLI	9.29	10.71	5.00	3.21	4.25	3.65	4.25	2.95	3.70					**3.86**				
	PRI	14.00	14.13	7.03	4.29	4.80	4.10		4.20	4.80					**4.87**	3.00	3.00	3.00	
	PLI	16.29	16.50	8.20	5.71	5.90	5.30	6.50	7.30	6.60					**6.50**	5.00	5.00	5.00	
	PSDI	9.43	11.29	5.18	3.57	5.40	3.70	4.80	3.60	4.20					**4.35**	2.00	2.00	2.00	
	PSI / PSU	9.14	10.13	4.82	2.86	3.10	3.60	3.70	2.30	3.20					**3.37**	1.00	1.00	1.00	
	PCI	3.00	5.88	2.22	1.43	1.60	3.70	2.50	0.03	1.80					**1.90**				

Note: PSLI is taken to be between PSI and PSDI (which its members later join when it breaks up), so .5*PSI+.5*PSDI. PSU was a short-lived electoral renaming of PSI, so it is not consider a shift in partisan location.

UK	Lab	5.35	7.44	3.20	2.86	2.30									**2.78**				
	Cons	17.21	18.18	8.85	6.43	7.80									**7.69**				
CA	Lib	9.35	10.04	4.85	3.57	5.30									**4.57**				
	Cons	13.58	14.04	6.91	6.43	6.50									**6.61**				
AU	SPÖ	10.67	9.11	4.95	2.86	3.00	3.20	4.90							**3.78**	1.00	1.00		
	ÖVP	13.56	12.67	6.56	6.43	5.80	6.50	7.60							**6.58**	2.00	2.00		
	FPÖ	15.44	15.78	7.81	5.71	6.80	4.30								**6.15**	3.00	3.00		
	KPÖ	5.25	3.00	2.06	1.43	0.50									**1.33**	0.00	0.00		
BE	CVP / PSC	12.50	14.00	6.63	5.71	6.05	4.80	7.30	7.10	7.10					**6.38**	5.00			
	BSP / PSB	6.90	6.70	3.40	2.86	2.70	2.80	4.60	3.20	4.00					**3.37**	1.00			
	PVV / PLP	17.10	18.80	8.98	6.43	7.70	6.80	6.40	10.00	6.30					**7.51**	6.00			
	RW				4.29	2.60	3.80		5.40	5.30					**4.28**	3.00			

	FDF	10.75	10.33	5.27		5.60			7.20	5.30						**5.84**	4.00		
	VU	12.60	15.40	7.00		6.80	4.60	6.80	8.30	6.40						**6.65**	2.00		
	PCB / KPB				0.71	1.40			0.00							**0.70**	0.00		

Note: Main parties split off their ethnic halves in 1/72; PLP becomes PRL in 12/81; PS/SP is same as BSP/PSB; All are treated as single parties and coded equally. Walloon Labor is set equal to the RW

DE	SD	9.10	8.75	4.46	2.86	3.80	3.60		4.10	5.00						**3.97**	1.00	1.00	1.00
	V	17.40	17.75	8.79	5.71	6.70	6.80		8.20	6.40						**7.10**	3.00	4.00	3.00
	KF	16.00	16.00	8.00	7.14	7.30	7.80		10.00	7.40						**7.94**	4.00	5.00	3.00
	RV	12.50	13.25	6.44	4.29	4.80	4.40		6.20	5.80						**5.32**	2.00	2.00	2.00
	Rfb				5.00				8.40							**6.70**		3.00	
	KrF	12.70	14.63	6.83		6.20	7.80									**6.94**			
	CD	11.78	12.43	6.05		5.70	8.00									**6.58**			
	DKP	3.57	2.33	1.48	0.71	1.00	1.80		0.00							**1.00**	0.00	0.00	
	Indep															**5.00**			

Lane *et al.* (1991) list some cabinet members in the 1940s as "others," having no further information, I call them independents and code them 5.

FI	SDP	5.86	8.29	3.54	2.86	3.00		3.90	2.60							**3.18**	2.00		2.00
	Kesk	10.43	12.69	5.78		5.20										**5.49**			
	LKP	13.00	14.50	6.88	4.29	5.60		6.30	7.00							**6.01**	4.00		4.00
	SFP	14.71	14.93	7.41	6.43	6.10			8.00							**6.98**	5.00		5.00
	KoK	14.29	15.07	7.34	6.43	7.20		8.10	9.90							**7.79**	6.00		6.00
	TPSL	5.18	6.54	2.93	2.14	2.40		3.10	1.30							**2.37**			
	SKDL	4.50	4.79	2.32	1.43	1.80		2.30	0.00							**1.57**	1.00		1.00
	SMP	11.78	11.88	5.92	5.71	5.80										**5.81**	3.00		3.00

Note: TPSL placed by qualitative country experts between SDP and SKDL, so coded as .5*SDP+.5*SKDL

GR	PK									5.30						**5.30**			
	LK									8.85						**8.85**			
	SDem									5.30						**5.30**			
	KF			7.57						8.30						**7.93**			
	ERE									9.40						**9.40**			
	Indep			5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00		**5.00**			
	Edhik									5.30						**5.30**			
	Civil															**5.00**			
	Mil															**10.00**			
	ND	15.67	14.60	7.57						8.30						**7.93**			
	Pasok	7.33	7.80	3.78						4.60						**4.19**			
	KKe	5.00	2.60	1.90						1.80						**1.85**			

Note: EP set equal to ERE; Democratic Socialists were the pre-dictatorship incarnation of Edhik; PK similarly were antecedent to ND; both set equal.
LK members go on to both ND and ERE, so coded as .5*ND+.5*ERE; KF joins itself to the Center Union later, coded as such.
Military Dictatorship coded as right-extreme (10); Civilian caretakers and Independents defined to be middle (5).

IR	FG	14.68	13.88	7.14	7.14	6.80	6.80			6.70						**6.92**	3.00	3.00	
	FF	13.82	11.50	6.33	5.00	6.30	6.00			6.60						**6.05**	2.00	2.00	
	LAB	6.53	6.09	3.16	2.86	3.60	3.70			5.00						**3.66**	1.00	1.00	
	CP				4.29											**4.29**			
	CT				4.29											**4.29**			
	PD	17.12	16.52	8.41												**8.41**			
NE	KVP				5.00		5.00	6.90	5.10	7.30						**5.86**	6.00	3.00	4.00
	PvdA	5.79	8.31	3.53	2.86	2.60	2.20	4.20	2.70	4.20						**3.18**	1.00	1.00	2.00
	CHU				5.00		6.00	7.20	6.60	7.90						**6.54**	7.00	5.00	6.00
	VVD	17.36	16.92	8.57		7.40	6.50	6.80	7.60	7.40						**7.38**	8.00	7.00	8.00
	ARP				5.00		5.80	7.00	5.60	7.80						**6.24**	5.00	4.00	5.00

	DS-70				3.57		3.70		4.60	6.30		**4.54**	2.00	6.00	7.00
	D-66	10.36	11.69	5.51	2.14	4.40	2.80		3.90	4.30		**3.84**	4.00	2.00	3.00
	PPR	3.00	5.36	2.09	2.14	1.60	1.10		2.00	4.30		**2.21**	3.00		1.00
	CDA	13.57	13.85	6.86	5.00	5.70	3.30	7.03	5.77	7.67		**5.90**			

Note: Where necessary (some authors code them separately only), CDA set equal to average of KVP, CHU, ARP from which it was formed.

NO	DNA	6.37	8.17	3.64	2.86	3.00	1.80		3.50			**2.96**	1.00		1.00
	H	14.32	15.83	7.54	7.14	7.70	5.40		10.00			**7.56**	5.00		5.00
	V	9.41	10.94	5.09	5.00	4.00	3.00		6.40			**4.70**	2.00		2.00
	SP	9.74	12.33	5.52	5.71	5.80	4.80		7.80			**5.93**	4.00		4.00
	KrF	9.58	11.39	5.24	5.00	6.10	5.20		6.90			**5.69**	3.00		3.00
PO	Pro-C	1.72	0.57	0.57							0.90	**0.74**			
	PS	8.75	9.50	4.56							4.70	**4.63**			
	PCP	3.43	1.14	1.14							1.80	**1.47**			
	PPD	14.00	13.83	6.96							7.10	**7.03**			
	MDP-CDE	7.00	2.00	2.25								**2.25**			
	Indep											**5.00**			
	CDS	17.00	18.14	8.79							8.50	**8.64**			
	PSD	14.00	13.83	6.96							7.10	**7.03**			
	PPM			9.39							9.25	**9.32**			
	Dict											**10.00**			

Note: Communism defines left bound (0), so Pro-Communists are somewhere right of that and left of PCP, so I let Pro-C=.5*0+.5*PCP;
Similarly, PPM somewhere right of CDS, so PPM=.5*CDS+.5*10; Independents placed in the middle: 5.

SP	UCD					7.10		5.90			4.40	**5.80**			
	PSOE	6.60	9.40	4.00		3.60		3.90			2.70	**3.55**			
	PSC	6.60	9.40	4.00		3.60		3.90			2.70	**3.55**			
	Dict											**10.00**			

Note: PSC set equal to PSOE; Conservative dictatorship defines right bound (10).

SW	SAP	7.63	9.42	4.26	2.86	2.90	1.90		3.30			**3.04**	1.00		1.00
	BF	10.84	13.21	6.01	4.29	5.90	4.30		6.50			**5.40**			
	CP	10.84	13.21	6.01	4.29	5.90	4.30		6.50			**5.40**	2.00		2.00
	M	17.00	17.44	8.61	6.43	7.70	8.40		10.00			**8.23**	4.00		4.00
	FP	13.63	15.47	7.28	5.00	5.50	4.20		7.40			**5.88**	3.00		3.00

Note: BF set equal to CP which it later renames itself.

SZ	FDP								6.60		6.70	**6.65**			
	CVP								7.10		5.40	**6.25**			
	SVP								6.40		5.70	**6.05**			
	SPS								4.70		2.70	**3.70**			
AL	LIB	15.29	15.76	7.76	6.43	7.50						**7.23**			
	NA	14.43	14.29	7.18	5.00	7.80						**6.66**			
	ALP	10.10	9.10	4.80	2.86	3.10						**3.59**			
NZ	LP	9.46	11.78	5.31	2.86	3.80						**3.99**			
	NP	11.23	13.31	6.14	6.43	6.00						**6.19**			

Appendix III: Electoral and Partisan Characteristics of Democratic Governments

From the party-position data combined with data from Lane *et al.* (1991) and Woldendorp *et al.* (1994) on the composition of cabinets and the duration of governments, we are able to construct many other indicators of theoretical importance. In this book, I have employed six: (a) the political "center of gravity" of the government (Thomas Cusack's catchy phrase for his similarly defined measure), (b) the polarization *within* governments, (c) fractionalization within government, (d) the fractionalization and polarization *across* governments (*replacement risk*), (e) the government hazard rate, and (f) an election-year indicator. The full data set necessary to derive these measures is archived as DA4; the analyst may find it useful in the construction of yet other political measures.

Let me start with the hazard rate. I use Lane *et al.* (1991) to determine when governments were in office from 1945-1990; Woldendorp *et al.* I use to supplement that and for more recent governments. The former give government durations by month: *e.g.* January 1986-March 1987, March 1987-May 1989, *etc.* This leaves the problem of to which government to attribute the end months like, say, March 1987. I adopted the convention of not counting the first month listed, meaning that the last month listed is attributed to the earlier government. My reasoning is that policy decisions for a given year are largely set prior to the later part of the year, so the slight tendency for this procedure to weight the cabinet in power early in the year more is acceptable or even desired. On the assumption of a constant risk of government collapse over the course of a government, an estimnate of the hazard rate is then simply the inverse of the duration. As always, the U.S., Finland, and the French Fifth Republic, being presidential systems, present a bit of a problem here. Employing the simplest solution, I

assumed that presidents and each chamber were equally powerful in determining budgets. Thus, the hazard rate for the French Fifth Republic and Finland are ½(president's)+½(cabinet's); for the U.S. the hazard rate is (president's+senate's+house's)/3 which is a constant 0.25. In the future, we would like to estimate hazard rates using only information available at the time of the measurement *and* in a manner comparable across countries. This remains a project for future research.

The election-year indicator for year t in which an election occurs is $ELE_t = M/12 + (d/D)/12$ where M is the month of the election, d is the day of the election and D is the number of days in that month. This gives a very close approximation of the fraction of the year elapsing before an election. $1\text{-}ELE_t$ is then the fraction of the previous year which is part of the 365 days prior to the election. Multiple elections occurring within a one-year span are allowed to be cumulative. I have not tested--nor to my knowledge has anyone else *tested*--whether ignoring a second election occurring within a year produces better results for electoral manipulation theories. Neither has it been tested whether electoral-year indicators which are not "flat" for the period prior to the election can out-perform flat ones like this. Both of these remain projects for future research, as do improvements of the measure to account for whether the election was foreseen and how close it was expected to be. In all cases except the U.S., Finland, and France V, the election considered is the lower house election. In the US, the indicator is divided into thirds where (a) Presidential elections, worth 1/3, occur every four Novembers, (b) house elections, worth 1/3, of all representatives occur every two Novembers, and (c) roughly 1/3 of the senate is elected every two Novembers. So, the indicator in the US is approximately (10/12)(1/3+1/3+(1/3)*(1/3)) every presidential election year (and approximately

(2/12)(1/3+1/3+1/9) in the year before) and approximately (10/12)(1/3) every mid-term election year (and (2/12)(1/3) the year before that). In Finland and France V, the lower house election is worth ½ and the presidential election is worth ½.

To code the political "center of gravity" (COG) we want the weighted average position of the government. The simple facilitating assumption here, and for the next two measures to be discussed, is that each cabinet member can be coded on the left-right scale as her party is. Thus, in the simple cases of pure parliamentary government, COG is just the weighted average position of cabinet members (where Lane *et al.* supplemented by Woldendorp *et al.* supplies the number of ministers from each party). Thus, a Swedish cabinet with 4 SAP members and 4 CP members (an unlikely cabinet) would have COG = ½(3.04)+½(5.4). For France V and Finland, the COG for the government is ½(president's COG) + ½(cabinet's COG); for the U.S. the COG is (president's COG + senate's COG + house's COG)/3, where the senate's and house's is calculated out as the weighted average of its members (party discipline is too weak to consider each chamber as a majority-take-all body for most substantive purposes). The implicit assumption in these latter three cases is that the president and the cabinet (or each house) is equally powerful in influencing policy. The analyst may want to reconsider that assumption in some contexts, and the data exists in DA4 to do so. Finally, the data are by year. Years in which more than one government holds office are scored as the weighted (by the fraction of the year each holds office) average of those governments. Again, the last month listed in Lane *et al.* is attributed to the earlier government.

Fractionalization within government has been measured in two ways in this book. One, the Number of Parties (NOP) is simply the number of parties in government (including the

president if applicable). Two, the Effective Number of Parties in Government (ENOP), which is $\sum(n_i/N)^{-2}$, a measure which weights each party i by its proportion of the cabinet when counting up parties in government. As argued in Chapter III, the former measure makes more sense if one is thinking in veto-actor terms, the latter if one is thinking in more classical influence-on-policy terms. As the president in France V and Finland is being considered an equal actor, I consider the president to N cabinet members where N is the total number excluding her. In the US, for ENOP, the president is consider H representatives where H is the total number of representative (usually 435) and each senator is considered S/H representatives where S is the total number of senators (usually 100). For NOP, this would always give a score of 2, which perhaps could be considered correct, but in Chapter III, responding to my notion that this missed a considerable amount of nuance from situation to situation, I use a different rule. The president and both houses being of the same party (majority) is 1, the president and one house being of the same party is 1.5, and the president being of one party and both houses being the other is 2. These manners of handling the president will usually imply that presidents lower fractionalization by the ENOP measure while they usually do not effect the NOP measure but may increase it if their party is not in the cabinet. Notice how this two fits the alternative views the measures embody. From the influence conception, it should be the case that presidents, being unitary actors with about half the total of influence, typically lower fractionalization. From a (party-based) veto-actor view, they're either irrelevant if of the same party, or they add one veto point if of a different party: exactly as NOP does. Finally, Figures DA2.1 and DA2.2 above clarify which parties are considered separate entities in these and the next meaures where there is ambiguity (as, say, in the German CDU/CSU and the Belgian

major parties: these are both considered single entities).

Polarization within government, likewise, has (at least) two potential measures, one corresponding to each the influence and the veto-actor views. In the veto-actor view, the measure is the "absolute deviation within government" (ADWIG), measuring the party farthest right in the government's COG minus the party fathest left's. Again, a veto-actor conception is that any party in government can veto it, so the correct measure of effective polarization is the farthest two parties apart. From an influence conception, we want to wight each party by its proportion of the government. A simple variance or standard deviation of the cabinet members does this. The U.S., France V, and Finland are handled analogously for these measures as with the previous two.

Finally we come to *replacement risk*, *i.e.* the incumbent government's perceived risk of being replaced by another government ideologically far from it. It is seen, then, that we need the product of how far away ideologically a replacement is preceived likely to be and how likely the government is to lose office. I have taken this in parts. First, I contend that the standard deviation of government COGs (see above) across some number of years is a resonable estmate of how far away a replacement is likely to be. At the least, this will tend to rise when government partisanship (COG) moves from year-to-year a lot and decline when it stays relative stable over time. We already have contended that the inverse of government duration is a reasonable proxy for the hazard rate. So, then, replacement risk can be measured by some moving standard deviation of COG times the hazard rate.

In Chapter III, I use a nine-year, centered moving-standard-deviation of COG. As I noted there, using the actual measure for governments four years in the future as such a procedure

does, implicitly assumes something like perfect foresight by governments. (Similarly, using the inverse of the actual duration of the incumbent also assumes something much like perfect foresight.) An alternative would be to assume adaptive expectations and use a standard deviation over the present and preceding, say, 8 years (and some forecast of the hazard rate). It is relatively safe to assume that the truth is somewhere between these two extremes. In practice, I tried lagged and centered variances and standard deviations and 5, 7, and 9 years as intervals. The results did not differ much substantively depending on which of these measures were employed, so I presented those associated with the standard deviation across 9 years centered on the present.

The analyst may wish to employ some other procedure, but the basic point here is that having a government partisanship score which moves over time as different parties enter government gives us considerable leverage on measuring the theoretical concept, *replacement risk*, which may previously have been thought unmeasurable. The utility of that concept has already proven itself in the political business cycle literature (both opportunistic and, here, partisan versions). As noted in the previous section, we may soon have scores for parties which themselves move over time (as the true left-right ideologies of parties no doubt do). Add to that another topic for future research which is delineating a unified model of perceived replacement risk, *i.e.* developing a theoretical model which estimates the incumbent's *forecasted* replacement risk in a manner which is comparable across democracies.

Appendix IV: A Database for Positive Political Economy in Developed Democracies

Table IV.2: Central Bank Independence

CTRY/YR	LVAU*	QVAU*	POL**	ECO**	BP***	CBI
US	.5018		5	7	3	.750443
JA	.1376		1	5	3	.409401
GE	.6572	1.00	6	7	4	.931438
FR 50	.2000					.436667
FR 60	.2313	.65	2	5	2	.442917
FR 70-80	.1131					.419292
IT	.2322	.76	4	1	1.5	.365104
UK 50	.2332					.399973
UK 60	.4763	.60	1	5	2	.448583
UK 70-80	.3088					.415083
CA	.4566		4	7	2	.614141
AU 50-60	.6750		3	6		.669444
AU 70-80	.5806					.637986
BE 50-60	.1763	.53	1	6	2	.407917
BE 70-80	.1888					.410417
DE	.4499	.70	3	5	2	.529979
FI	.2358	.75				.492917
GR 50	.5413					.347100
GR 60	.4988		2	2		.332933
GR 70-80	.5103					.336767
IR	.3379	.51	3	4		.461979
NE	.4228		6	4	2	.564036
NO 50-60	.1158					.224567
NO 70-80	.1366				2	.234948
PO			1	2		.166667
SP 50	.1163					.195742
SP 60-70	.1006		2	3	1	.191823
SP 80	.2069					.218385
SW	.2725		2	2		.302917
SZ 50-70	.5317		5	7	4	.841250
SZ 80	.5729					.851563
AL 60-80	.3055	.73	3	6	1	.473771
NZ 50	.1469		0	3	1	.120058
NZ 60-80	.2686					.150495

* LVAU derived from data and formula in Cukierman (1992), based on political and economic characteristics of the bank as described in national law. QVAU are the results from a qualitative survey

given in the same text.
** POL (ECO) indexes political (economic) independence of the bank in Grilli, Masciandaro and Tabellini (1991).
*** BP is the original index of CBI given in Bade and Parkin (1982).

Table IV.3: Employer and Labor Organization

CTRY	COV	LO[a]	BO	LO[b]	EWC	CWB
US	1	1.12	1	1	0	0
JAPAN	2	1.53	2	2	5	.875
GERMANY	3	2.33	3	2	3.5	.675
FRANCE	3	1.48	2	2	1.5	.375
ITALY	3	1.61	1	2	2	.25
UK	3	1.26	1	1	0	0
CANADA	2	1.07	1	1	NA	0
AUSTRIA	3	3	3	3	5	1
BELGIUM	3	1.92	2	2	NA	.375
DENMARK	3	2.63	3	3	NA	.75
FINLAND	3	2.48	3	3	NA	.75
GREECE	3	1.5	1	2	NA	0
IRELAND	3	1	1	1	NA	0
NETHERLANDS	3	2.39	2	2	3	.625
NORWAY	3	2.90	3	3	4	1
PORTUGAL	3	2	2	2	NA	.25
SPAIN	3	1.5	1	2	NA	.125
SWEDEN	3	2.87	3	3	4	1
SWITZERLAND	2	1.60	3	1	4	.875
AUSTRALIA	3	1.64	1	2	NA	.25
NEW ZEALAND	2	1.75	1	2	NA	.25
CORR w. CWB	.16	.82	.91	.68	.96	1

COV is LNJ's index of the coverage (as opposed to coordination) of bargaining.
LO[a] is a scaled (1-3) average of labor-based coordination/corporatism indices from LNJ, Cameron, Bruno-Sachs, and Calmfors-Driffill.
BO is LNJ's index of coordination among employer bargaining units.
LO[b] is LNJ's index of coordination among labor bargaining units.
EWC is Soskice's index of economy-wide coordination in wage bargaining.

Note that CWB is quite correlated with each of the other indices and especially highly correlated with EWC. In fact, I intend CWB to be little more than an extension of Soskice's

index to 10 more countries.[3] Also given in Table IV.3 are the values for the broadest (in terms of the number of countries) index of which I am aware of the coverage (COV) of wage bargaining; that index is taken from LNJ and will be used here without amendment.

Ideally, we would like these measures to vary over time as true CWB and COV no doubt do, but such time-varying indices are not *yet*[4] available in the literature and are beyond my historical knowledge to construct. In recognition of these limitations and the inevitable subjectivity involved in creating an index to test one's own arguments, considerable explorations into the robustness of the results to employing other indices will be discussed in

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[3] Some regression analysis of the relation between CWB on other indices is revealing.

(Continued...)

CWB=	-.3789	+.3372 BO	+.0928 LO[b]	R^2=.85	
	(.105)	(.051)	(.064)	N = 21	
CWB=	-.3882	+.3072 BO	+.1336 LO[a]	R^2=.84	
	(.112)	(.068)	(.097)	N = 21	
CWB=	-.5558	+.1566 BO	+.0496 LO[b]	+.3336 EWC	R^2=.97
	(.078)	(.047)	(.041)	(.060)	N = 11
CWB=	-.5612	+.1384 BO	+.0549 LO[a]	+.3492 EWC	R^2=.97
	(.083)	(.055)	(.055)	(.059)	N = 11

These results reveal first the nearly exact relationship between EWC and CWB within the smaller sample for which Soskice coded his index. This is as intended since EWC employs exactly the definition of coordination used here: coordination in wage bargaining, be it employer- or labor-led and be it by explicit coordination or leading settlements. The coefficients also reveal a heavier weight on BO than on LO in both the full sample and the Soskice sub-sample. That is also as intended because our theory indicates greater wage restraint from employers than labor. Finally, the high R^2 of each regression re-confirms the tight relationship between my and previous indices (implying multiple correlations in excess of .9 in all cases).

[4] This is unfortunate as presumably coordination of labor and employers in bargaining is time-variant even though the indices are not. Measures which would aid in the construction of such an index are being compiled by Golden and Wallerstein (1995), but they are currently available for at most sixteen countries and focus on union density and concentration, *i.e.*, on the labor side and not directly on coordination. Unless and until such measures become available, there is nothing to be done about this problem but to acknowledge it.

Section IV.D. Moreover, the coordination of bargaining in Japan and Switzerland is especially controversial (see Calmfors-Driffill 1988 and Soskice 1990 for this debate). Addressing the controversy, I will also discuss the sensitivity of the results to the omission of individual countries, particularly Japan and Switzerland, from the sample.

All data used in this book are available from the author's web page, currently located at

http://www-personal.umich.edu/~franzese