

# Electoral instability in Iceland 1931-95: The impact of aggregate electoral volatility and block volatility on the Icelandic party system

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#### **Abstract**

This article examines electoral volatility in Iceland. The impact of aggregate and block volatility on the cleavage structure of the Icelandic party system is studied and compared with the situation applying to a group of west European democracies. The Icelandic parties are divided into blocks according to their stand on the socio-economic issue dimension.

This gives an opportunity to see whether the high increase in electoral volatility at the aggregate level was followed by similar increase across the cleavage line, with the party system therefore becoming less and less frozen into place, as the upsurge in electoral volatility at the aggregate level seems to suggest. The main reason for the increase in volatility across the cleavage line is traced to party splitting.

The main conclusion drawn is that this has not occurred in the case of Iceland. Most of the increase in volatility has occurred within the blocks and therefore the stability of the cleavage structure of the Icelandic party system has not evidenced an overall decline.

#### Introduction

The object of this article is to analyse the high increase in electoral instability in Iceland in recent decades and its effects on the cleavage structure of the party system. Is the high increase in volatility at the aggregate level followed by a similar increase in block volatility, and if so, what consequences does this have for the Icelandic party system?

The importance of studying movements across the cleavage line is that it gives an opportunity of testing whether Lipset and Rokkan's famous freezing proposition is still valid, or whether it is on the decline, as most studies analysing volatility at the aggregate level only seem to suggest. Thus, if most of the volatility is within the blocks that divide the parties on socio-economic issues, then electoral volatility has much smaller systemic consequences. This is the main advantage over studying electoral volatility at the aggregate level, which measures the fortunes of individual parties, but gives few substantial clues to its systemic consequences. By analysing the relationship between these two indices, important information can be obtained on the salience of the cleavage structure and the types of elections and their impact on the classcleavage and the nature of competition in the party system, as a recent study by Bartolini and Mair (1990) on this issue has demonstrated. I build mainly on the first part of their work, and follow their methodology fairly closely, though I use only a fraction of the statistical techniques they employ. To my knowledge, class-cleavage volatility has not been analysed in Iceland before. My interest in the subject was awakened by the exclusion of Iceland from most comparative studies of electoral volatility in Western Europe.

This article begins by outlining the origins of the Icelandic party system and its main features. I then analyse aggregate volatility and block volatility in Iceland in elections 1931-1995 and compare it loosely with the phenomenon in

the 13 countries in Western Europe analysed by Bartolini and Mair (1990). Following this, I use the relationship between these two measures of volatility to analyse the dynamics of electoral competition, again making a comparison with the other countries in Europe. These measures are within block volatility, i.e. the amount of total electoral interchange that is cancelled out by turning the party system into two blocks according to their stand on socio-economic issues. The other measure is class-cleavage salience, which gives an indication of the weight of class cleavage in structuring the electoral market. In the final section, I use this index to further analyse party system segmentation or fragmentation in each election covered in this article.

## The origins of the modern party system in Iceland

The relationship between Denmark and Iceland and the question of Icelandic independence from Denmark dominated the political scene in Iceland from the middle of the 19th century, with the re-establishment of Althing, the old legislative and judicial body, until well into the second decade of the twentieth century. Sovereignty was achieved in 1918, and full independence, with the founding of a republic, in 1944. With rapid modernisation from the turn of the century, a static agrarian society was transformed into increasingly industrialised society, and with rapid urbanisation, the prerequisites for a class-based party system began to emerge. Hardarson (1995, pp. 27-8) has described this transformation to modern mass politics:

Between 1916 and 1930 a complete transformation of the party system took place, the independence question having largely been resolved in 1918. A system of four parties, based primarily on socio-economic cleavages emerged, and would dominate Icelandic politics for decades. Two class-based parties emerged in 1916, the Social Democrats (SDP), and the Progressive Party (PP), claiming to represent the interest of workers and farmers respectively. The opponents of those two parties on the right joined forces in 1929, when a merger of the Conservative Party and the Liberal Party formed the Independence Party (IP). In 1930, the communist split from the SDP and formed a separate Communist Party (CP), later to be succeeded by the United Socialist Party (USP), and then the People's Alliance (PA).

General enfranchisement, and the right to bargain and form unions, was established prior to the rise of working-class parties. Mobilisation on class cleavage began in the late 1910s and early 1920s. Thus, a considerable mobilising capital was not at hand for the Icelandic working-class parties, and this factor is without doubt part of the explanation why class-cleavage closure has only shown moderate strength in Iceland.

Another important factor was the fact that the modern party system developed in conjunction with the state apparatus in Iceland. Late independence explains the relatively undeveloped state apparatus in Iceland.

The country was governed from Denmark; internal public bureaucracy did not really start to take on a modern form until home rule was granted in 1904. Thus, late independence and late industrialisation coalesced and left the modern political parties with a relatively robust state structure, with a low level of institutionalisation. The state was therefore "infiltrated" by the parties from the very beginning. This relatively easy access to state resources worked against the organisational development of the parties. Thus, the mass membership structure that all the parties adopted in the 1930s was more formal than real. The small size of the population and its dispersion over a relatively large and geographically difficult area, with an undeveloped transportation system, were not conducive to the development of workable party units, especially branches, which in many places did not have more than a few members.

The bourgeois parties had more or less resolved the questions of statehood, universal enfranchisement and the right to organise prior to the rise of working-class parties. For their part, the working-class parties had to mobilise voters in the struggle for the welfare state. The introduction of welfare programmes in the 1930s was opposed much more strongly by the Progressives than by the Independence party, which has always had relatively large working-class support.

From the early 1930s, the party alternatives had largely settled into place, with the "narrowing of the support market" and "freezing of the party system" as Lipset and Rokkan's (1967, p. 50, emphasis original) famous hypothesis states:

... the party system of the 1960's reflect, with few but significant exceptions, the cleavage structures of the 1920's. This is a crucial characteristic of Western competitive politics in the age of "high mass consumption": the party alternatives, and in remarkably many cases the party organisations, are older than the majorities of the national electorates. I will first discuss the impact of aggregate electoral volatility from the early 1970s on the cleavage structure, or more accurately, class cleavage. Aggregate electoral volatility has been defined as the "...net change within the electoral party system resulting from individual vote transfer" (Pedersen 1983, pp. 31-2). Secondly, I will argue (as do Bartolini and Mair (1990) and Mair (1997)), that this index is not in itself an indication of cleavage closure or decline, because it measures the fortunes of individual parties per se, and not the salience of the cleavage structure as such. A much more reliable measure can be obtained by splitting the party system into blocks after the ideological divisions that have structured party alternatives throughout this century, i.e. class cleavage.

### The characteristics of electoral volatility in Iceland

Iceland has shown one of the highest levels of electoral volatility of Western European countries in recent decades. The increase in electoral volatility, which most authors position in many European countries in the late 1960s and early

1970s, can be said to have started in Iceland with the 1971 general elections (Hardarson, 1995a). This increase at the aggregate levels of electoral volatility "...is often cited as evidence that European party systems are no longer frozen" (Mair 1997, p. 79).

Hardarson (1995a, p. 320), has classified the electoral history of Iceland into three distinct phases. The first phase is the formation period, which lasts until 1942. By 1931, all the parties that have since dominated Icelandic party politics were in place. By 1942, the parties' shares of the electoral market had stabilised or the party alternatives had frozen into place. The second period lasts from 1942-1971, and is characterised by stability (Hardarson 1995). The four parties regularly gained over 95% of the votes, and their shares of the votes were very stable. The third period, from 1971 and onwards, is characterised by a sudden upsurge in electoral volatility, which has since been considerably higher, on average, than in the other two phases. Aggregate electoral volatility in this period has never fallen below the averages in the two former phases. These three phases more or less reflect and coalesce with the phases most often used in comparison of average electoral volatility in Europe (see Budge and Farlie 1983, Pedersen 1983, Crewe and Denver 1985, Bartolini and Mair 1990), both in cross-national comparisons and individual case studies.

Turning back to trends in electoral volatility, the average level of aggregate volatility has not changed in Western Europe in the post-war period (Bartolini and Mair 1990, p. 100), though there can undeniably be detected marked increases in some individual countries. In the immediate post-war years, electoral instability was much more pronounced in the large European countries, most notably in France and West Germany, but more recently, as Mair (1997, p. 81) has observed, "the locus of electoral change has tended to shift from the larger countries to the smaller ones". His main point is that "...there has been no Europe-wide trend towards electoral instability", and this is in line with Pedersen's (1983) analysis, which also pointed to the absence of a Europe-wide trend. Countries like "Denmark, Iceland, Luxembourg, the Netherlands and Norway, have all become more volatile, but nevertheless record mean levels of aggregate change of just 10, 11 or 12 percent - and this, it will be recalled, is on a scale of 0-100" (Mair 1997, p. 81).

Thus, averages reveal that in Western Europe, taken as one unit of analysis, aggregate electoral volatility has been on the decline. Mair (1997, p. 80) argues that by splitting modern electoral history of Western Europe into "three broad electoral epochs which have occurred since universal suffrage and the age of mass politics - the interwar period, the first post-war period decades, and then the most recent post-war decades - aggregate electoral volatility, aggregate electoral instability, has shown a consistent decline". Aggregate electoral volatility was on average 9.9 in the inter-war period. From 1945 to 1965, it was 9.0. Between 1966 and 1989 average volatility was 8.5 (Mair 1997, p. 80, and Bartolini and Mair 1990).

Comparable figures for the same epochs in Iceland are, of course, rather different. From the beginning of the 1970s, aggregate electoral volatility is markedly higher than the West European average. Between 1931, the first elections in which all the modern parties competed, and 1945, aggregate electoral volatility was on average 8.8 in Iceland. From 1945 to 1965, it was 6.7 and between 1966 and 1989, a period of very high upsurge in volatility in Iceland, it was, on average, 13.6. Thus, rather than decreasing in a way comparable to the averages cited above from studies of Western Europe, they display a considerable increase in volatility. It is only in the 1974 elections, where volatility was 8.1 that it is under the averages cited above for Western Europe. But Iceland is not alone in this; there has been considerable increase in aggregate electoral volatility in many other countries, as is mentioned above.

The pattern in Iceland has been characterised by short-term success of party splintering from the established parties, occurring mainly on the left. The only successful "new" party, appealing to voters on the new post-materialist issues, as identified by Inglehart (1971, 1987), is the Women's Alliance (WA), which has mainly appealed to voters on the left, and further increased the fractionalisation within the left block. The organisational factor is more complex. The parties are traditionally rather weak organisations, especially on the ground, and in recent decades they have lost some of their most important functions, which has further eroded their representation in society. In addition, party identification, never very strong, has become even less so in recent decades.

Most of the increase in electoral volatility in Iceland from the early 1970s and onwards is due to party splintering. The government formula has been largely left intact and the two largest parties, the Independence party and the Progressives, have more or less maintained their dominant position, the IP as the largest party and the PP in its key position in the centre. Thus, the rather high instability has not yet affected the dynamics of the system or had systemic relevance. Party splitting has mainly occurred on the left and moreover, mainly within the SDP. These party splits are not challenging the system itself. They are rather directed against individual parties. The fortunes of these splits are ephemeral, a one-off success in most instances. The old parties normally gain back large portions of their vote in the following elections. Thus, it is the reappearance of successful splits and then the systemic balancing off, when the losers gain back their lost vote, occurring with rather surprising regularity, that maintains the high level of aggregate electoral volatility in Iceland.

There are two possible explanations for this clustering tendency among the high volatility elections, as Bartolini and Mair (1990, p. 71) have suggested:

First ... a process of restoration, within which the sudden transformation reflected in the high level of volatility in the first of the sequential elections, is redressed in the subsequent volatile election(s), with the once-losing parties regaining their strength. In these circumstances, the party system could be considered to have received a sudden shock, but with out any lasting effects. Were this to be the case, then we should expect a relatively low level of net volatility across the elections which *bracket* the sequence of highly volatile elections. In the Danish case, for example, we should anticipate that volatility between the last elections prior to 1973 and the first elections after 1977 should be substantially lower than at any of the intervening elections. The second and alternative explanation, however, is that we are witnessing a more *enduring* shift in the partisan balance, in which the parties which experience the major losses (or major gains) in the first of the sequence of elections find that their erosion (or growth) continues thereafter. In this case, net volatility calculated between the pair of bracketing elections should be at least as high as that which characterises the intervening elections.

Both these explanations can be applied to account for the upsurge in electoral volatility in Iceland. Of the eight elections that cover the volatile period, only two have been without considerable success of a splintering party. The only deviation from this pattern is the emergence of the Women's Alliance, contesting four elections in succession and therefore becoming the most successful challenge to the party system.

But aggregate electoral volatility is a measure of vote shifting between individual parties and therefore does not in itself test the cleavage that has structured party politics since the age of mass politics. That is more appropriately measured by analysing the shifts between the two ideological blocks that are divided by the class cleavage.

## **Block volatility**

Many authors (Bartolini and Mair 1990, Mair 1989, 1997, and Smith 1989), argue that aggregate electoral volatility as such cannot be taken as an indication of the erosion of the cleavages that have structured political conflict, according Lipset and Rokkan's famous and seminal essay (1966), from the 1920s. The main reason for making a clear distinction between aggregate electoral volatility and party system change is, as Bartolini and Mair (1990, p. 96) have pointed out, that aggregate volatility is:

... a measure of electoral change which is based simply on the exchange of votes between individual party organisations [and]... inadequate as a test of cleavage persistence since in many cases, the cleavage line divided blocks of parties rather than individual party organisations.

The main inadequacy of aggregate volatility as a measurement of the analysis of the stability or hold of traditional cleavages is, as Bartolini and Mair (1990, p. 36) have argued, that "... by the 'freezing of cleavages' Rokkan meant the freezing of major political alternatives which are not represented by specific party, but are rather often characterised by the opposition between blocks of parties... the volatility which matters in terms of cleavage persistence or change is the volatility which occurs between the blocks of parties representing the opposing sides of a cleavage line. In this case, it is the measures of block

volatility (BV) and within-block volatility (WBV) which appear to be the most appropriate indicators".

Furthermore, Bartolini and Mair (1990, pp. 96-7) argue:

To the extent that the Lipset-Rokkan proposition is indeed valid, then it is clear that we can hypothesise a decline in class-cleavage mobility and an increase in cleavage closure over time, which should be reflected in declining levels of instability following the initial mobilisation of the class cleavage in the early part of the century. And while this decline should be evident at the level of both total volatility and class-cleavage volatility, it is also clear that there are important distinctions between the two measures. Since total volatility is an indicator of change at the level of the *individual party*, we can assume that it is likely to be quite sensitive to systemic factors such as differences in the levels of electoral participation, differences in the number of parties, differences in electoral formulae, and so on, as well as to more short-term factors. Class-cleavage volatility, on the other hand, which is based on an *aggregation of parties*, is less likely to be sensitive to these measures, except in cases where they impinge directly on cleavage mobilization or cleavage closure.

The criteria used here for inclusion of the parties in the left block is the same as Bartolini and Mair (1990, p. 42) have adopted: "first, the systematic inclusion of all those socialist parties and of all those communist parties which were once members of the Communist Third International; second, the systematic exclusion of those recent and wholly new parties which concern themselves primarily with the 'new politics' issues, environmentalism, civil rights, feminism, and so on, despite the fact that these parties often locate themselves on the ideological left, and occasionally further on the left than the historic 'class parties'.

In the left block, therefore, stand the PA and SDP as pure working-class parties, with the PP and the IP in the centre and centre-right of the spectrum. Those parties that have their origins in splits from the SDP and the PA are included in the left block. These parties are the Union of Liberals and Leftist (ULL), contesting elections in 1971, 1974 and 1978, and the People's Movement in 1995 ("Þjóðvaki"). The Social Democratic Alliance (SDA) - a splintering from the SDP, as the former two were, more or less, and contesting the 1983 and 1987 elections - is excluded from the left block. The rationalisation for this is that the party was proposing fundamental constitutional changes, federalism and an active presidency along American lines, and was therefore an "anti-system" party. All of these splintering parties have shown considerable short-term electoral successes, which peaked at the first election they contested, but thereafter their electoral fortunes spiralled downwards or disappeared altogether. Nevertheless, they have to be included in the left block if they fulfil the criteria set above. These parties are clear left-wing parties, and their rationale for splitting was almost always the unification of the divided left. The fact that most of party splitting has occurred within the left block, and one of these parties is excluded from the left block, will of course inflate the index of class-cleavage volatility somewhat.

This criterion also excludes from the left block the Women's Alliance, which is, as Hardarson (1995) has shown, perceived by voters as a left party, considerably further to the left than the Social Democrats and deriving most of its vote from PA, which may to some extent invalidate the adoption of Bartolini and Mair's criteria in the case of Iceland. The party has contested four elections and, contrary to the parties that have their origin in splits from the established four, it gained steadily from 1983 and peaked in 1991, but lost more than half of its vote in 1995.<sup>1</sup>

This high increase in block volatility, across the class-cleavage line, corresponds rather well with the dramatic decline in class voting in Iceland. Class voting in Iceland has declined dramatically. Kristjánsson's (1977, p. 63) analysis of class voting for the inter-war period pointed to a rather strong relationship between class and voting, with an Alford index with a mean of 69.06. Hardarson (1995) has shown that class voting in 1980s had declined dramatically, "Class voting, as measured by the Alford index is extremely low, both in 1983 (11%) and in 1987 (10%)". Thus, the political scientists who have analysed class voting in Iceland have detected a dramatic decline in class voting in the post war period: "... class voting in Iceland in the 1930s and 1940s was quite strong (probably similar to Britain but weaker than in Scandinavia), grew weaker in the 1950s and the 1960s, and became very weak in the 1980s. While class voting has decreased in Scandinavia from around 55% in the 1950s to around 35% by 1980, the decrease is much more dramatic in Iceland" (Hardarson 1995, p. 355). This trend in class voting corresponds with an increase in block volatility in Iceland, in higher averages for each epoch, and also more importantly, in much higher fluctuations, which reached their peak in the 1978 elections, where block volatility was 16.2, more than twice as high than the average for the period. But class-cleavage volatility decreases again if the period is extended to the cover the three elections held after 1985, when it drops to 5.9.

These high fluctuations in volatility, between medium high, very high and low class-cleavage volatility, suggest that other factors intervene strongly and often even overwhelm the socio-economic dimension, which has had high salience in Iceland, as in most other countries. Lijphart (1999, 80-81) has demonstrated that the socio-economic issue dimension is the only issue dimension that is found in all the 36 democratic countries in the period 1945-1996. But obviously many other factors intervene. The fact that smaller countries are more vulnerable to economic fluctuations and smaller countries now exhibit greater electoral volatility, suggests that economic performance

<sup>&</sup>lt;sup>1</sup> By the time of the 1999 elections, the Women's Alliance had merged with the Social Democrats, the People's Movement and part of the People's Alliance in a electoral alliance that later turned into a political party contesting the 2003 elections.

may have an impact on volatility. This can indicate that incumbency affects electoral fortunes and that the economic crises occurring after the 1970s are a factor responsible for higher volatility.

But where does Iceland stand on these two measures of electoral volatility in a West European comparison?

## Aggregate and class-cleavage volatility in Iceland and Western Europe

Table 1 shows the average for the three electoral epochs into which the electoral history of this century is conventionally classified: the inter-war period, the stable two immediate post-war decades, and the volatile period from the late 1960s and onwards.

Table 1
Aggregate volatility (AV) and block volatility (BV) in 14 Western European countries.

	<u>1918-44</u>		<u>1945</u>	<u>5-65</u>	<u>1966-85</u>	
<u>Country</u>						
	$\underline{AV}$	$\underline{\mathrm{BV}}$	$\underline{AV}$	$\underline{\mathrm{BV}}$	$\underline{AV}$	$\underline{\mathrm{BV}}$
Austria	9.7	2.9	5.2	2.2	3.4	1.7
Belgium	8.3	3	9.4	3.9	7.7	1.1
Denmark	5.5	2.2	8.7	2.4	13.5	3.9
Finland	6.7	1.7	5	0.8	8.4	2.7
France	13.7	4.8	16.3	2.4	9.3	3.5
Germany	17.8	3.9	12.4	3.8	5.8	2.7
Ireland	13.3	4	10.7	1.8	5.1	0.8
Italy	-	-	12.7	2.3	7.2	1.3
Netherlands	8.4	1.5	5.2	2.4	11	2.7
Norway	9	4.3	4.8	0.7	10.4	2
Sweden	9	3.8	5	1.8	6.7	0.8
Switzerland	8.6	2.1	3.3	1.3	6.3	0.8
United Kingdom	10.4	4.5	4.6	2.4	6.7	1.6
Iceland (1931-44)	8.8	2.4	6.9	4.3	12	5.2
European average	10.0	3.2	7.9	2.2	7.8	2.0

Source: Adapted from Bartolini and Mair 1990, p. 111, except the figures for Iceland.

As can be seen from Table 1, both aggregate volatility (AV) and class-cleavage volatility (BV) in Iceland were fairly normal, by European standards, for the inter-war period; both figures are below the average. In the stable post-war period, aggregate volatility was again rather low by European standards. On the other hand, class-cleavage volatility in the immediate post-war period nearly doubled, compared to the inter-war period, from an average of 2.4 to 4.3. Only in Belgium, Denmark and the Netherlands was class-cleavage volatility on the rise, and on a more moderate scale in the former two, compared to the case of Iceland. But in contrast to Iceland, these countries

also witnessed rising aggregate volatility. In Iceland the opposite seemed to happen: aggregate volatility was lower than in the interwar period, but average class-cleavage volatility was considerably higher than before. In the volatile period, both class cleavage volatility and aggregate volatility increased in Iceland, as they did in a number of other European countries. Class-cleavage volatility again rose considerably, compared to the immediate post-war period, from 4.3 to 5.2. Only Denmark and France showed comparable increases in both aggregate and class-cleavage volatility, though class-cleavage volatility in Iceland was nearly twice as high as the average in those countries, and way above the average in Europe.

The explanation for this increase in class cleavage volatility in the case of Iceland, in addition to declining class voting already mentioned, can be traced to the 1978 elections, which skewed the picture considerably. Cleavage volatility in these elections was 16.2 more than twice as high as the average for the period. In these elections the two working-class parties in Iceland, the PA and the SDP, won their biggest victory to date. In next two elections, class-cleavage volatility was also high, 10.9 and 8.2. The system balanced out this "earthquake" election in terms of voter's movement across the class-cleavage line. Excluding the 1978 elections, average class-cleavage volatility drops to 5.9. The impact of these exceptional elections somewhat disturbs the picture, as can be seen by looking at the 1985-95 period, when class-cleavage volatility drops down into 1.5 but aggregate volatility remains very high 17.2 (see Table 2). Nevertheless, these highly volatile elections indicate very competitive and open elections, as can be seen by analysing the proportion of block volatility over total or aggregate volatility, which has many interesting properties.

## The properties of block volatility: segmentation or fragmentation?

As Bartolini and Mair (1990) have demonstrated, the distinction between aggregate volatility and block volatility provides an opportunity to analyse the dimensions of the class cleavage (and for that matter other cleavages as well) and its impact in different types of election, and more importantly, the operationalisation of this process. Two new measures emerge by making the distinction between block (BV) and aggregate volatility (AV) in the party system.

WBV is the index of within-block volatility (AV-BV), which is the "amount of total electoral interchange in the system that is cancelled out by aggregating the parties into blocks" (Bartolini and Mair 1990, p. 44). The other index is the proportion of block volatility over aggregate volatility; its advantage, compared with the within-block volatility index, is that it gives an indication of the weight and importance of a given cleavage (here the class cleavage), or its salience in the system: "a low value implies that the inter-block electoral interchange constitutes only a small proportion of the total electoral interchange in the

system, with most of this occurring among the parties belonging to the same block; conversely, a high value implies that most of the total electoral interchange is represented by cleavage interchange. Contrary to the index of BV and WBV, this measure can be high or low independently of the absolute level of total volatility" (Bartolini and Mair 1990, p. 44)). Table 2 reveals the results of the four measures of electoral volatility in the 22 elections that have been held in Iceland 1931-1995.

Table 2 Electoral instability in Iceland 1931-1995, by elections.

Elections /year	Aggregate volatility	Block volatility	Within block volatility	Class cleavage salience BV/AV*100
1931	10.4	0	10.4	0
1933	12.0	7.6	4.4	63.3%
1934	9.6	1.2	8.4	12.5%
1937	5.5	0.2	5.3	3.6%
1942a	11.7	4.1	7.6	35.0%
1942b	3.4	1.0	2.4	29.4%
1946	5.7	4.6	1.1	80.7%
1949	1.5	1.3	0.2	86.7%
1953	9.3	4.3	5.0	46.2%
1956	11.1	5.8	5.3	52.3%
1959a	11.7	9.7	2.0	89.9%
1959b	4.3	3.4	0.9	79.1%
1963	4.4	1.0	3.4	22.7%
1967	4.2	3.1	1.1	73.8%
1971	10.9	3.2	7.7	29.4%
1974	8.1	4.2	3.9	51.9%
1978	19.4	16.2	3.2	83.5%
1979	13.0	10.9	2.1	83.8%
1983	16.6	8.2	8.4	49.4%
1987	23.1	0.4	22.7	1.73%
1991	15.2	1.3	13.9	8.6%
1995	13.4	2.9	10.5	21.6%

Compiled from data supplied by Statistics Iceland.

Table 3: Electoral instability in Iceland 1931-1995 by phases (Icelandic experts' classification) and Iceland in comparison with 13 European countries 1931-1985.

			ro Europ	earr cour	itries 1931	1705.			
experts classification – additional		Aggregate volatility	Standard deviation			Within- block volatility		Class cleavage salience (BV/AV*100)	Standard deviation
Iceland	1931-41 (4)	9.38	2.77	2.25	3.61	7.13	2.78	19.85	29.44
Iceland	1942-70 (10)	6.73	3.83	3.83	2.63	2.9	2.39	59.58	25.37
Iceland	1971-95 (8)	14.96	4.76	5.91	5.44	9.05	6.8	41.24	31.47
Electoral instability in Iceland 1931-1985, by phases	Electoral epochs/ number of elections	Aggregate volatility	Standard deviation			Within- block volatility	dorristion	Class cleavage salience (BV/AV*100)	Standard deviation
Iceland	1931-44 (6)	8.77	3.52	2.35	2.96	6.42	2.92	23.67	23.74
Iceland	1945-65 (7)	6.86	3.87	4.3	2.95	2.56	2.04	65.37	25.3
Iceland	1966-85 (6)	12.03	5.56	7.63	5.22	4.4	2.99	61.97	21.91
European mean of country means	1918-44 13 countries	10.3	3.39	3.23	1.15	6.82	2.82	30.45	9.85
European mean of country means	1945-65 13 countries	7.95	4.06	2.19	0.96	5.78	3.66	30.46	13.37
European mean of country means	1966-85 13 countries	7.81	2.7	1.93	1.05	5.84	2.14	25.2	12.66

The trend in Table 3 is that nearly all figures show an increase in electoral volatility. The higher figures in the period 1971-1995 can be explained by the still high volatility at the aggregate level in the three additional elections held after 1985, (1987, 1991 and 1995) elections: block volatility decreases dramatically in these elections and therefore produces a higher value of within-block volatility. More importantly, however, the index of class-cleavage salience shows a declining value, indicating that a smaller proportion of total electoral interchange in the party system is across the class-cleavage line in the most recent elections. Table 3 also reveals that Iceland is similar to European averages on most measures. In fact it is only in block volatility in the most recent period that Iceland shows significantly higher scores than the averages for Europe.

As Bartolini and Mair point out (1990, p. 97) "... a necessary and sufficient condition for the proof of the validity of the freezing proposition is ... a long-term decline in the level of electoral interchange across the cleavage dividing line". The dramatic upsurge in electoral volatility at the aggregate level was not followed by an equally high increase in block volatility in Iceland in the volatile period. This indicates that class cleavage salience is still important in structuring the electoral market in Iceland. But the overall pattern is characterised by fluctuations, which could indicate a situation of fragmented competition, i.e. in this situation, other issues or dimensions are cross-cutting the class cleavage. Conversely, the class-cleavage salience shows a steady increase if the volatile period is extended to include 3 additional elections, which is an indication, obviously, that a more detailed analysis of the dynamics of competition and the impact of the class cleavage is needed.

# Types of elections

Bartolini and Mair (1990, pp. 37-46) stress the theoretical importance of the proportion of cleavage volatility over total or aggregate volatility. This index gives the opportunity of operationalisation of party system fragmentation or segmentation, which has mostly been based on expert judgement hitherto. The results are a fourfold typology in which elections can be classified. When there is limited cleavage volatility (a closed cleavage line) with a low salience (a minor proportion of aggregate volatility), it is safe to assume that the cleavage under study is mainly a **domain of identification** (i.e. closed elections, with AV and BV both low). Conversely, when there is considerable cleavage volatility (an open cleavage line) with high salience (a large proportion of aggregate volatility), the cleavage should be considered as the main **dimension of competition** (i.e. open elections, with AV and BV both high) of the system. A closed cleavage with high salience seems to indicate **general segmentation** (i.e. non-class-competitive elections with AV high and BV low). An open cleavage with low salience indicates a system of **generally fragmented competition** 

(i.e. class-competitive elections, with AV low and BV high) (See Bartolini and Mair 1990, pp. 45-6, 85). A frozen cleavage structure should indicate that the majority of elections should either be domains of identification or dimensions of competition, and which also should give a indication of the cleavage structure of each system and which cleavages are dominant for the dynamics of competition in the system. Conversely, when the cleavage is a dimension of competition, the system is less frozen, and other issues or dimensions contribute to the overall volatility of the system.

The criteria applied here to distinguish between high and low levels of volatility are the same as Bartolini and Mair (1990, p. 86) have employed or high-volatility elections: "... as those in which the level of volatility is more than one quarter of one standard deviation above the mean (Z-score > 0.25), while low-volatility elections are those in which the level of volatility is more than one-quarter of one standard deviation below the mean (Z-score < -0.25). Elections in which volatility falls between those cut-off points have a medium level of volatility". The results of the classification of elections after this criterion into different types of election are given in Table 4.

Table 4
Classification of elections scoring low, medium and high on cleavage salience and closure.  $AV = \text{aggregate volatility} \quad BV = \text{block volatility}$ 

Election/ye	AV	<u>Z-score</u>	BV	Z-score	AV	BV
<u>ar</u>						
1931	10.4	0.038	0	-1.081	M	L
1933	12.0	0.339	7.6	0.830	Н	Н
1934	9.6	-0.113	1.2	-0.779	M	L
1937	5.5	-0.886	0.2	-1.031	L	L
1942a	11.7	0.283	4.1	-0.050	Н	M
1942b	3.4	-1.283	1.0	-0.830	L	L
1946	5.7	-0.849	4.6	0.075	L	M
1949	1.5	-1.64	1.3	-0.754	L	L
1953	9.3	-0.16	4.3	0.0	M	M
1956	11.1	0.170	5.8	0.377	M	Н
1959a	11.7	0.283	9.7	1.357	Н	Н
1959b	4.3	-1.113	3.4	-0.226	L	M
1963	4.4	-1.094	1.0	-0.603	L	L
1967	4.2	-1.132	3.1	-0.302	L	L
1971	10.9	-0.132	3.2	-0.277	M	L
1974	8.1	0.396	4.2	-0.025	Н	M

1978	19.4	1.735	16.2	2.991	Н	Н
1979	13.0	0.525	10.9	1.659	Н	Н
1983	16.6	1.207	8.2	0.980	Н	Н
1987	23.1	2.432	0.4	-0.980	Н	L
1991	15.2	0.943	1.3	-0.754	Н	L
1995	13.4	0.604	2.9	-0.352	Н	L

Bartolini and Mair (1990, p. 86) were mainly analysing class competitiveness and therefore looked examined those elections that are either "...open or closed elections, or those which can clearly be defined as either class competitive or non-class competitive". As such, the more ambiguous types, "... in which one or both of the indices records a medium level of volatility," are excluded. These they have called normal elections. In Bartolini and Mair (1990, p. 86), 37% of elections were excluded by this criterion.

The group of normal elections include those in which either the salience of the class cleavage (aggregate volatility), or the closure of the class cleavage (block volatility) is of medium level, or both dimensions are of medium level. Of the 22 elections in Iceland since 1931, 9 or 40.1% of the universe of election in Iceland, come under this category. This combination of elections into low, medium and high class, yields the possibility of nine different patterns. Five different patterns emerged in the case of Iceland, as can be seen in Table 4 above. Of those, two elections, in 1942 and 1974, showed high class-cleavage salience, but only medium levels of cleavage closure. Two elections, in 1946 and 1959, showed low levels of class-cleavage salience, but medium levels of class-cleavage closure. Three elections, in 1931, 1934 and in 1971, showed medium levels of class-cleavage salience, but low levels of class-cleavage closure. One election, in 1956, showed medium levels of class-cleavage salience, but had high class-cleavage closure. And one election, in 1953, showed medium levels of both class-cleavage salience and class-cleavage closure.

From this pattern, and as can be seen from Table 4, where cleavage salience is low but cleavage closure is high, the bias towards fragmented competition is very small. In the group of normal elections, those elections scoring low on class-cleavage salience and medium on closure respectively come closest. Two elections, in 1946 and 1959, show a tendency in this direction. But by looking at Z-score for the class cleavage salience, the 1946 election with a Z-score of 0.075, and the 1959 election with a Z-score of –0.025, are not even close to the cut-off points, and more in the direction to closed competition than fragmentation. The results of the remaining election, or those that clearly fall into one of the four-fold typology are shown in Table 5.

Table 5
Types of elections

	% <u>Closed</u>	% Non-class competitive	% Class competitive	% <u>Open</u>	<u>n</u>	Number of 'normal' elections
Iceland	38.5	23.1	0.0	38.5	13	9
West European average	47.6	14.1	11.5	26.7	191	112

Source: Adapted from Bartolini and Mair (1990, p. 87), except the data for Iceland, which are mine.

As can be seen from Table 5 38.5% of the elections (22.7% of the total) are closed elections, which means that the class cleavage is mainly a domain of identification, and both cleavage salience and cleavage closure are low. These elections are therefore neither competitive in class terms nor in the other issue dimensions. This is the type that most elections should be expected to fall into, as the "freezing" of party alternatives has been longer in operation, the electorate fully mobilised, and the electoral market has "closed down". This is an indication of stability, even though it is relatively lower than the West European average of 46.7%. Of the total of five elections of this type, four were in the stable period between 1942 and 1967 (these are 1942b, 1949, 1963 and 1967), and one in the formation period, i.e. the 1937 election.

Non-class competitive elections are 23.1% (13.6% of all elections). This means that all cleavages are mainly domains of identification and indicates general segmentation. Cleavage salience is high, meaning that aggregate volatility is high, but cleavage closure is low. It is therefore not surprising that Iceland has a high proportion of this type of elections, given its high aggregate volatility, which, as has been argued before, can mainly be traced to party splintering, and is also particularly evident within the left block. A total of three elections are of this type; these are the latest three elections covered in this study, in 1987, 1991 and 1995.

Not a single election is of the class-competitive type, which indicates that all cleavages are important dimensions of competition, with a situation of fragmented competition. As mention above, none of the normal elections come even close to meeting this criterion. As Bartolini and Mair (1990, pp. 86-7) have shown, the occurrence of this type of elections is rare in West European comparison: only 11.5%, and only 7.1% of the total of 303 elections which they analysed. The absence of this type of election in Iceland can be explained by

two factors: the fragmentation of the left block and the fact that the combined vote of the left parties has never been close to allowing them the option of a pure left coalition. Thus the incumbency dimension is not closely connected with the class dimension in Iceland.<sup>1</sup>

Open elections account for 38.6% (22.7% of all elections). Open elections indicate that the class cleavage is an important dimension of competition. Both class-cleavage salience and class-cleavage closure are high. And the relative high occurrence of this type of elections, indicates that aggregate volatility and block volatility have a tendency to follow each other. Of the five elections that have had these characteristics, one was in the formation period, in 1932 to be more precise. One election was in the stable period, or in 1959. Three elections in the volatile period, 1978, 1979 and 1983, can also be categorised as open.

In comparison with the countries Bartolini and Mair (1990, p. 89) analysed, the characteristic of the volatile period in Iceland is strikingly similar with that of Denmark what concerns the pattern of sequential elections from the late 1970s and onwards. In Denmark three open sequential elections, 1973, 1975, and 1977, were followed by three non-class-competitive elections, 1979, 1981, and 1984. In Iceland, three open sequential elections, in 1978, 1979 and 1983, were followed by another three non class competitive elections, in 1987, 1991 and 1995. This connection of one sequence to another, which has only occurred in the form of a sequence of open elections followed by a sequence of non-class competitive elections, seems to suggest as Bartolini and Mair (1990, pp. 88-9, emphasis original) have pointed out, "... that the initial period of flux is followed by a period in which the class dimension alone *ceases* to be in competition".

This sequence of open elections in the volatile period from 1978 to 1983, followed by a sequence of non-class competitive elections in 1987, 1991 and 1995, indicates that, "class tends to be in competition only when other factors or dimensions are also in competition" Bartolini and Mair (1990, pp. 88-9). The near-constant factor in this period has been party splintering, which mainly occurred on the left and has been fuelled by the impact of the Women's Alliance's intrusion into the electoral market, which has also mainly taken votes from the left parties, and particularly the PA.

The main conclusion is that though class-cleavage volatility in Iceland has been fairly high, and has increased periodically, this increase has been ephemeral and has slowly balanced itself out. The last three elections show a rather sharp decline in class-cleavage volatility, and aggregate volatility has also declined rather sharply, at least compared to its peaks. The two elections where aggregate volatility reached its highest extremes were also of two different

<sup>&</sup>lt;sup>2</sup> This can probably be traced to the openness of the coalition game in Iceland. Most of the possible combinations have been tried at one time or another, with the exception of the IP and the PA. But high volatility on these measures has always followed the right of centre-right IP-PP coalition's incumbency elections. These were the 1953, 1956 and 1978 elections.

types. The 1978 elections, in which aggregate volatility reached 19.4 and classcleavage volatility was 16.2, indicate that the class cleavage was a very important dimension of competition. Following their victory, a coalition of the left (PA, SDP and PP) was formed and collapsed after a short period in 1979. In the following elections that year, class-cleavage volatility dropped to 10.9, and aggregate volatility was also high, 13.0. In 1983, aggregate volatility rose again to 16.6, but class-cleavage volatility dropped down to 8.2. In these elections, two new parties gained considerably, thus maintaining rather high class-cleavage volatility, because both are excluded from the left block. The WA took support mainly from the PA, as has been said above, and the SDA from the SDP, which had lost all of its gains obtained in 1978, when it more than doubled its vote. In the 1987 elections, class-cleavage volatility dropped dramatically, to 0.4, but aggregate volatility increased sharply, to 23.1, the highest ever. Again, this can be explained by party splintering and withering away, but this time it did not affect the left, but the opposite camp. The WA gained considerably, and the splintering from the SDP nearly ceased to exist. More importantly, IP splits, and the new party, the Citizens' Party (CP) gained correspondingly to the IP's losses. The IP regained these lost votes almost completely in the 1991 elections, in which the WA also gained considerably. In 1995, the SDP split yet again; withholding high levels of aggregate volatility, but at the same time there were low levels of class-cleavage volatility.

These fluctuations in class-cleavage volatility, which was also higher in the stable period than in the inter-war period, and still increasing in the volatile period, is therefore mainly caused by the little cohesion between the parties, especially on the left.

#### **Conclusions**

This analysis of the relationship between class-cleavage volatility and aggregate volatility has revealed that the evidence of stability is much greater than that of instability. Though class-cleavage volatility increased on average between the periods, this increase did not affect the overall pattern of competition in the system. The sequence of three high class-cleavage volatile elections, which were also high on cleavage salience, therefore indicating general segmentation, was then followed by three elections of low cleavage closure, which indicates that the class cleavage is an important domain of identification and other dimensions coincide with the class cleavage. This is also the main type of election in West Europe, and is an indication of generally structured competition and the salience of the class cleavage. The structure of competition was also relatively close to the European pattern, although it was higher in the non-class-competitive type. The total absence of fragmented competition is also evidence of the salience of the class cleavage in Iceland. The overall pattern is that freezing is not in decline in Iceland. The average upsurge in class-

cleavage mobility did coincide with high aggregate electoral volatility, but only in a very short period, which can be explained by a splintering of parties from the left, but with anti-systemic characteristics, and another relatively moderate "new party". But these parties were not classified with the left block, even though they took most of their votes from them. Electoral volatility on both measures is therefore mostly due to party splintering and their ephemeral successes. My general conclusion is therefore that the stability of the cleavage structure has not evidenced an overall decline in recent decades, despite higher levels of volatility. The three most recent elections even indicate increasing importance of the class cleavage in structuring the electoral market.

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