Introduction: democracy in divided societies

The question of whether, and how, democracy can survive in divided societies has long been a source of controversy in political science. Some of the greatest political thinkers have argued that stable democracy is possible only in relatively homogeneous societies. John Stuart Mill, for example, believed that democracy was incompatible with the structure of a multi-ethnic society, as ‘free institutions are next to impossible in a country made up of different nationalities’ (1958 [1861], 230). This was a view prevalent amongst many scholars and policy-makers until at least the 1960s, with the perils of ‘tribalism’ and ethnic division frequently cited as causing the failure of democracy in the newly independent states of Africa and Asia in the post-war period (see, e.g., Low 1991, 272–3). Much of this conventional wisdom regarded ethnic conflicts as primordial and irrational manifestations of traditional rivalries and passions, leaving little room for explanations based on the objectives and interests of those involved in such conflicts. When scholars did turn their attention towards such interests, many saw more reasons for the failure of democracy in divided societies than for its persistence. A classic example is the rational-actor arguments against the likelihood of stable democracy in divided societies put by Rabushka and Shepsle (1972), who argue that would-be political leaders typically find the rewards of ‘outbidding’ on ethnic issues – moving towards increasingly extremist rhetoric and policies – greater than those of moderation. Because ethnic identities tend to be invested with a great deal of symbolic and emotional meaning in such circumstances, aspiring politicians hungry for electoral success have strong incentives to harness these identities as a political force, and to use communal demands as the base instigator of constituency mobilisation.
Because strategies based on outbidding are often easier to instigate and maintain than those based on cooperation, politics can quickly come to be characterised by centrifugal forces, in which the moderate political centre is overwhelmed by extremist forces. The failure of democratic politics is often the result (see Sisk 1995, 23).

How is it possible to design political systems which avoid such conflicts and instead promote inter-ethnic accommodation, multi-ethnic political parties and centripetal, centre-based politics? In this book, I argue that divisive, zero-sum outcomes are not an inevitable characteristic of politics in divided societies, but often a reaction to the institutional ‘rules of the game’ under which the democratic competition of the electoral process takes place. Changes to these institutional rules – for example, by the introduction of electoral systems which facilitate cross-communal communication, bargaining and interdependence between rival politicians and the groups they represent – can have a major impact on the promotion of moderate politics, and thus on prospects for democracy, in divided societies.

The question of the relationship between democracy and ethnic conflict has been thrown into particular prominence by two countervailing themes that have dominated world politics over the past decade: the ‘third wave’ of democratisation, and the explosion of inter-communal ethnic violence around the globe. Beginning with the collapse of authoritarian regimes in Spain and Portugal in 1974 and working its way through Eastern Europe, Latin America, Africa and Asia, the ‘third wave’ of democratisation has seen a threefold increase in the number of democratic governments around the world (Huntington 1991). At the same time as this massive transformation, however, the world has witnessed a great upsurge in intra-state violence and ethnic conflict. Transitions from authoritarian rule to democracy have been accompanied, in many cases, by rising levels of internal conflict, particularly ethnic conflict (de Nevers 1993). Most of today’s violent conflicts are not, as in former years, wars between contending states, but take place within existing states. According to one count, of the 110 major armed conflicts in the ten-year period between 1989–99, only 7 were traditional inter-state conflicts. The remaining 103 took place within existing states, mostly focussed around identity issues (Wallensteen and Sollenberg 2000). Between them, these parallel processes of democratisation and ethnic conflict have defined the

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1 This process has naturally encouraged a considerable literature dealing with democratic transitions and their consequences, and the relationship between institutional choices and the consolidation of democracy. See, for example, Huntington 1991; Diamond and Plattner 1996; Diamond, Linz and Lipset 1988, 1989 and 1995; O’Donnell and Schmitter 1986; Linz and Stepan 1996; Diamond 1998.
international agenda in the post-Cold War period. They have also focussed both scholarly and policy attention directly on the question of the relationship between democracy and ethnic conflict in divided societies. But what do I mean by ‘democracy’, how do we define ‘ethnicity’ and ‘ethnic conflict’, and what is a ‘divided society’?

**Democracy, ethnicity and ethnic conflict**

In keeping with an increased focus on institutions across the social sciences, scholarly discussion of democracy and democratisation increasingly emphasise normative and procedural concerns. Perhaps the most influential definition of democracy along these utilitarian lines was first formulated by Joseph Schumpeter, who defined the democratic method as ‘that institutional arrangement for arriving at political decisions in which individuals acquire the power to decide by means of a competitive struggle for the people’s vote’ (1947, 269). By the 1970s, Huntington argued, this ‘modest meaning of democracy’ was widely accepted:

> theorists increasingly drew distinctions between rationalistic, utopian, idealistic definitions of democracy, on the one hand, and empirical, descriptive, institutional, and procedural definitions on the other, and concluded that only the latter type of definition provided the analytical precision and empirical referents that make the concept a useful one. (1989, 6–7)

Successive generations of political scientists have attempted to refine or restate Schumpeter’s basic definition. Thus Riker (1986, 25), for example, argues that ‘the essential democratic institution is the ballot box and all that goes with it’; while Huntington himself defines a twentieth-century political system as democratic ‘to the extent that its most powerful collective decision-makers are selected through fair, honest and periodic elections in which candidates freely compete for votes and in which virtually all the adult population is able to vote’ (1991, 29). Similarly, Diamond, Linz and Lipset, in their study of democracy in developing countries, define democracy as a system of government that meets three essential conditions: meaningful *competition* for political power amongst individuals and organised groups; inclusive *participation* in the selection of leaders and policies, at least through free and fair elections; and a level of *civil and political liberties* sufficient to ensure the integrity of political competition and participation (1995, xvi). This is itself a refinement of Dahl’s much-cited definition of democracy (which he called ‘polyarchy’) as a process of participation and contestation which approximates rather than fully satisfies democratic ideals (Dahl 1971, 1–7), and will be the working definition of democracy used throughout this book.
This model of democracy, with its focus on republican ideals of contestation and participation, becomes difficult in societies divided along deep social cleavages such as ethnicity. Critics of democracy in multi-ethnic societies assert that ‘open competitive politics facilitate the politicisation of ethnic communities and the consequent danger of ethnic extremism and violent destabilisation of the political order’ (Esman 1994, 41). As concepts, ‘ethnicity’ and ‘ethnic conflict’ are, if anything, even more slippery than ‘democracy’. An ‘ethnic group’ can be defined as a collectivity within a larger society which has real or putative common ancestry, memories and a common cultural focus such as language, religion, kinship or physical appearance (Bulmer 1986). Under this typology, ethnic identity can be seen, on the one hand, as being based on ascriptive and relatively immutable factors such as religion, tribe, race or language – a position often characterised in the scholarly literature as ‘primordialism’ – and, on the other hand, as being a more malleable function of constructed social identities formed by colonialism and by post-colonial developments. In reality, most examples of politicised ethnic identities and ethnic conflicts in the world today exhibit a combination of both ‘primordial’ ascriptive associations and ‘instrumental’ opportunistic adaptations, the latter often harnessed by unscrupulous would-be ethnic leaders or ‘ethnic entrepreneurs’, who mobilise supporters on the basis of crude but often effective ethnic appeals. Such mobilisation of ethnic identities for political purposes can create a ‘divided society’, a term I use – following Rabushka and Shepsle (1972, 21) – to describe a society which is both ethnically diverse and where ethnicity is a politically salient cleavage around which interests are organised for political purposes, such as elections.

Democratic competition is inherently difficult in such cases because of the strong tendency towards politicisation of ethnic demands, which in turn often leads to the growth of zero-sum, winner-take-all politics in which some groups are permanently included and some permanently excluded. Politicians in divided societies face powerful incentives to play the ‘ethnic card’ and campaign along narrow sectarian lines, as this is often a more effective means of mobilising voter support than campaigning on the basis of issues or ideologies. A frequent result in multi-ethnic societies is that optimal outcomes for one player or group – electoral victory for one side on the back of a mobilised ethnic vote, for example – are accompanied by decidedly sub-optimal outcomes for the society as a whole (cf. Olson 1971), as identity politics becomes an

2 There is a considerable literature on ethnicity and ethnic identity. See Geertz 1963; Young 1976; Rothschild 1981; Brass 1985; Horowitz 1985; Smith 1986; Esman 1994.
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increasingly central part of the political game and the cycle of ethnic hostility and conflict unwinds. The ‘bankruptcy of moderation’ (Rabushka and Shepsle 1972, 86) in such cases greatly undermines the prospects of peaceful democratic politics taking root.

Although few scholars would argue that ethnic divisions are a positive facilitating condition for democracy, in recent years a revised focus on the possibilities and prospects for democracy in divided societies has become evident. At the base of this new wave of interest in democracy is a recognition that all societies are inherently conflictual to some degree, and that democracy itself operates as a system for managing and processing conflict, rather than resolving it (Przeworski 1991). Within certain circumscribed boundaries, conflict is considered legitimate, is expected to occur and is handled through established institutional means when it does occur. Disputes under democracy are never definitively ‘solved’; rather, they are temporarily accommodated and thus reformulated for next time. Well-structured democratic institutions allow conflicts to formulate, find expression and be managed in a sustainable way, via institutional outlets such as political parties and representative parliaments, rather than being suppressed or ignored. Changing formal political institutions can result in changes to political behaviour and political practice, and the design of political institutions is thus of paramount importance to the management of conflict in any democracy.

Institutional engineering

Institutions are the rules and constraints which shape human interaction and, as a consequence, behavioural incentives. They reduce uncertainty by establishing stable and predictable structures for interactions between people, either as individuals or groups (North 1990). Just as economists see the key to institutions in their role in structuring markets, reducing transaction costs and facilitating exchange – ‘they promote trades, and hence trade’ – for political scientists, political bargaining and exchange ‘is possible only against the backdrop of the stability provided by more deeply nested, institutionalised rules’ – rules that generate stable, recurring, predictable patterns of behaviour (Goodin 1996, 4–23). Paradoxically, the stable and predictable behavioral patterns engendered by functioning institutions will often be a reaction to uncertainty and potential instability. In a well-institutionalised democracy, for example, the competitive nature of the political process is ideally characterised by a recurring uncertainty of outcomes, thus encouraging a ‘rule bounded’ commitment amongst political actors to the democratic process itself. The best example of this is at election time, where parties and individuals
may ‘win’ or ‘lose’, but where the losers may win next time and the
winners know that their victory is only temporary (Przeworski 1991,
10–14). The structural uncertainty of a democratic electoral process,
where all outcomes are necessarily unpredictable and impermanent, is
thus a basic precondition for the evolution and institutionalisation of
behavioral norms of cooperation.

Heralding the appearance of a ‘new institutionalism’ in political
science almost twenty years ago, March and Olsen argued that political
institutions deserved a more autonomous role as subjects of academic
study: ‘democracy depends not only on economic and social conditions
but also on the design of political institutions . . . They are political actors
in their own right’ (1984, 738). Such arguments, once novel, are now
widely accepted, with most scholars today agreeing that institutional
choices are of paramount importance for the longer-term prospects of
democratic consolidation and sustainability (Diamond, Linz and Lipset
1995, 33), and that ‘different institutional forms, rules, and practices can
have major consequences both for the degree of democracy in a demo-
cratic system and for the operation of the system’ (Lijphart 1991d, ix).
This recognition of the importance of institutions has been accompanied
by an emerging concern in the discipline with the importance of
engineering political rules so as to improve the operation of political
processes and institutions (Horowitz 1991a, Ordeshook 1996). For the
political engineer, institutions change outcomes, and changing formal
political institutions can result in changes in political behaviour and
political practice. This message has been echoed by a number of recent
studies, reflecting an emerging scholarly orthodoxy concerning the
importance of political engineering and institutional design.3

Most of this book deals with the implications of such political
engineering for the management of conflict by virtue of one key
institutional choice – the electoral system. I argue that certain electoral
systems, under certain circumstances, will provide rational political actors
with incentives towards cooperation, moderation and accommodation
between themselves and their rivals, while others will lead logically to
hostile, uncooperative and non-accommodative behaviour if individuals
act rationally. By giving politicians in ethnically divided societies reasons
to seek electoral support from groups beyond their own community, well-
crafted political institutions – particularly electoral systems – can influ-
ence the trajectory of political competition, exerting a centrist pull upon
electoral politics and a moderating, cooperation-inducing influence upon

3 See, for example, Taagepera and Shugart 1989; Shugart and Carey 1992; Lijphart
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the conduct of politics more generally. A key challenge of institutional design in such circumstances is thus to create an environment in which cooperative interaction and mutually beneficial ‘win–win’ exchanges are possible, so that norms of cooperation and negotiation can become habituated amongst political actors. In showing how such ‘electoral engineering’ can work to manage conflicts, this book introduces a normative prescription for the design of political institutions in divided societies that I call ‘centripetalism’. As the name suggests, a centripetal political system is one in which the focus of political competition is directed at the centre, not at the extremes. Centripetal institutions are designed to encourage moderate, centrist forms of political competition, rather than the polarising extremes and centrifugal patterns that characterise so many divided societies.

The theory of centripetalism

Centripetalism envisages democracy as a continual process of conflict management, a recurring cycle of dispute resolution in which contentious issues must ultimately be solved via negotiation and reciprocal cooperation, rather than simple majority rule. We know from the seminal work of Duncan Black (1958) that many of the issues which confront democracies are not resolvable by majority decision, but rather ‘cycle’ through an endless series of unstable temporary majorities. In plural societies split along several cleavage lines, the intermixture of ethnic identities with non-ethnic or cross-cutting issues should ostensibly create the potential for diverse coalitions of interest – but the possibilities of such cross-ethnic coalitions are often undermined by the dominance of overarching group identities and loyalties in forming political identities. In such situations, differences need to come to be seen not as irreconcilable sources of conflict, but as part of a broader collective action problem, a problem which potentially can be overcome by bargaining and reciprocal trade-offs. The goal is not consensus but accommodation, via positional shifts that can only be uncovered by the process of active engagement, discussion and negotiation. Under this scenario the role of democratic institutions, as the mediating agents which can process divergent interests and preferences into centripetal outcomes, becomes paramount.4

At the heart of the case for centripetalism as a form of conflict management is thus the need to create incentives for accommodation

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4 For more on this idea of democratic liberalism as ‘compromise by negotiation’ see Bellamy 1997.
between competing interests in societies riven by deep-seated ethnic or other cleavages. One of the most feasible paths to such inter-group accommodation is to present political parties and candidates campaigning at elections with incentives to cooperate across ethnic lines. Most of this book is devoted to empirical analysis of the institutional foundations of such arrangements across a variety of societal contexts, ranging from elections in the traditional societies of Papua New Guinea and Fiji to modern industrialised states like Northern Ireland and Australia. A common theme across all cases is that, even in deeply divided societies, when office-seeking politicians and their supporters are presented with sufficiently strong institutional incentives to engage in cross-ethnic (or cross-issue) behaviour, they will act upon these incentives, and that the changes in their behaviour can effect much larger changes on the nature of political competition as a whole. For example, electoral systems that encourage reciprocal vote transfer deals between rival candidates representing antagonistic social groups can, as I will show, have a major impact upon the nature of electoral politics, vastly increasing the prospects for the consolidation of moderate, centrist political competition.

An additional benefit of such institutional designs is the opportunity they offer for cross-agent communication. Via the creation of voluntary ‘bargaining arenas’, whereby rival politicians come together to negotiate vote-trading deals in the search for electoral success, institutional conduits for inter-ethnic communication can facilitate recurring positive-sum exchanges between competing actors. Theorists of bargaining and cooperation have emphasised the importance of regular, face-to-face meetings in building trust and developing cooperation and understanding. Even in competitive situations, regular, reciprocal interactions are, in and of themselves, likely to facilitate cooperation (Axelrod 1984). Laboratory experiments have found that disputants who engage in face-to-face dialogue can achieve more satisfactory outcomes than those who communicate in other ways (Raiffa 1982), and that situations in which subjects are permitted to communicate directly with each other generate both higher levels of cooperation and lower levels of defection than when such communication is not permitted.\(^5\) Similarly, in their influential work on inter-ethnic cooperation, Fearon and Laitin (1996) found numerous examples of peaceful inter-ethnic relations being facilitated by recurring exchanges and effective inter and intra-group channels of communication. By encouraging reciprocal bargains between convergent interests, such exchanges can increase mutual confidence and help address the ethnic ‘security dilemma’ that lies at the heart of so many communal

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\(^5\) See Green and Shapiro 1994, 89–90, for a summary of these.
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conflicts (Posen 1993). In such cases, the process of negotiation itself builds possibilities of future cooperation, regardless of the significance of the matters under discussion.

Unfortunately, the political environment in most divided societies offers few incentives for campaigning politicians to engage in this kind of cooperation-inducing dialogue. In most election campaigns, for example, office-seeking politicians have little to gain and much to lose by engaging in negotiations with their rivals. After all, candidates are engaged in direct competition for a finite number of votes, and more votes for one side can never be an advantage for another, while the social restraints on even participating in face-to-face dialogue with ethnic adversaries can easily be characterised as displays of weakness and ‘selling out’ to opposing interests. The standard form of behaviour is therefore mutual avoidance, a situation often exacerbated by adversarial campaign rhetoric directed against political rivals. Rejection of common ground becomes a self-fulfilling prophecy, as the less often leaders meet, the less they are able to explore their common concerns and possibilities for cooperation. This creates a vicious cycle, as ‘outbidding’ by ethnic entrepreneurs, who push the mean political position further away from the moderate centre towards the extremes, becomes a familiar pattern. The consequences can be devastating: moderate forces are quickly overwhelmed by more extreme voices, leading to an ongoing cycle of violence and retribution – ‘precisely because a moderate ethnic center is often unable to sustain itself against the centrifugal forces unleashed by the heated rhetoric of ethnic chauvinism’ (Sisk 1995, 17).

This problem is exacerbated by the mono-ethnic nature of political parties in most divided societies. A recurring feature of democratisation in plural societies – particularly in conflictual multi-ethnic countries like the former Yugoslavia – is the rapid emergence of nationalist parties, who draw their support exclusively from one ethnic group or region, and who are often committed to the realisation of separatist agendas. Contrast this with idealised Western conceptions of democracy, which are based upon implicit assumptions about the presence of free-floating, ‘swinging’ voters and political parties fighting for the middle ground. The Downsian model of political competition, on which so much contemporary theory is based, makes such assumptions transparent: under plurality elections on a left–right policy spectrum, both voters and parties can be expected to converge on the middle ground, making elections a contest for the support of the ‘median voter’ (Downs 1957). Parties will thus adjust their policy platform to attract votes from this group, so that electoral competition becomes a fight for the moderate centre. Unfortunately, divided societies tend not to conform to this ideal model. Instead, political parties in
divided societies are normally ethnic parties, and voters are normally ethnic voters, who are no more likely to cast their vote for a member of a rival group than rival ethnic parties are to court their support. Under such conditions of ‘polarised pluralism’ (Sartori 1976), the logic of elections changes from one of convergence on policy positions to one of extreme divergence. Politics becomes a centrifugal game. With no median voters, competition for votes takes place at the extremes rather than at the centre. The result is an increasingly polarised political process, in which strategic incentives for office-seeking politicians often push them in the direction of encouraging ethnic hostilities and perceptions of group insecurity. Terrible communal violence is often the outcome.

Scholars argue that the key to regulating ethnic conflict is thus to change the conditions that encourage it, via alternative institutional designs. Creatively crafted electoral rules hold particular promise, because they structure the incentives and pay-offs available to political actors in their search for electoral victory, making some types of behaviour more rewarding than others. One core strategy, as advocated by Donald Horowitz (1985, 1991a&b), is to design electoral rules that make politicians reciprocally dependent on the votes of members of groups other than their own. To build support from other groups, candidates must behave moderately and accommodatively on core issues of concern. In ethnically divided societies, this means that electoral incentives can promote much broader changes in political behaviour: even small minorities have a value in terms of where their votes are directed, as small numbers of votes could always make the difference between victory and defeat for major candidates. As much of this book discusses, one of the most promising strategies for inducing such ‘vote-pooling’, and the positive-sum exchanges that go with it, is to put in place electoral institutions that enable politicians to campaign for the ‘second-choice’ votes of electors – the presumption being that, particularly in ethnically divided societies, the first choice will almost always go to a coethnics rather than a candidate from a rival group.6

Parties and candidates who adopt conciliatory policy positions and make compromises with other parties are more likely to pick up such secondary votes than parties who choose to maintain a narrowly focused, sectarian approach. Those who are broadly attractive and can successfully sell themselves as a good ‘second-best’ choice to others will tend to be rewarded with a greater share of these votes; those who have polarised support will generally not. To attract second-level support, candidates

6 This approach has some commonalities with broader ‘theories of the second best’ in economics and political science. See Goodin 1995, 52–5.