

Submission to the House of Commons Electoral Reform Committee

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General

1. Discussion of electoral reform too often concentrates on the total makeup of Parliament and speaks of the House as if it were a legislative body in a separated-powers system. In parliamentary systems elections are as much about identifying who has the authority to govern and on what terms as they are about the distribution of policy opinion.
2. Elections are exercises in mass coordination, and coordination failure is an abiding risk. With risk can also come reward, and this is a major tradeoff among systems. Tradeoffs are not confined to the vote-seat translation, but also to government formation. Systems that minimize risk at the electoral moment increase it at the government formation one, and vice versa. This makes strategic considerations relevant for voters in all systems, just at different points along the way.
3. Public opinion ostensibly on alternative electoral mechanisms is not a good guide. Survey respondents—like all of us—struggle with hypotheticals. Given that much of the reasoning and design is the product of sophisticated mathematicians, should we be surprised? Survey respondents typically regard “fairness” as a more attractive principle than “decisiveness” but it is not clear that they really apply this to an electoral system they barely understand. Rather, this is an expression of antipathy to party politics as such, and a preference for “stealth democracy,” decision-making by bodies they perceive as disinterested. Consideration of electoral mechanisms should, to the contrary, accept that for democracy on a continental scale parties are indispensable.
4. My focus is on measurable outcomes, mainly in the realm of party politics. Most changes have partisan implications and, unsurprisingly, are motivated by calculation of partisan advantage. Other motives may be in play, but it is disingenuous to deny the partisan dimension. That said, the history of electoral engineering is full of surprises and disappointments.
5. The memo reflects some of my own research but is also a curation of the established literature. Most of the sources are publicly available. In two cases, the research is by my PhD students. I would be happy to supply references but will not burden this memo with them.

Components

6. Discussion of electoral systems requires that, at a minimum, three elements be taken into account: the ballot, the “magnitude” of districts, and the formula for counting ballots.
7. The basic distinction among **ballots** is between *categorical* and *preferential*. In addition, we can ask: how does a candidate get access to the ballot? If the ballot has a ranking system, is it closed or open? If the choice is categorical, how many votes can an elector cast on a given piece of paper?
8. District magnitude (DM) is the number of seats per district, and is as important as the formula in the overall scheme of things. With two exceptions (Israel and the Netherlands), all

systems divide the country into districts. Commonly, magnitude varies across districts, as it would almost certainly do in Canada. Some systems allocate seats in tiers, using higher tiers to compensate for anomalies at lower ones. The Mixed Member Proportional system, used in Germany and New Zealand, is an extreme case.

9. Generically, there are three families of formula: *plurality*, *majority*, and *proportional (PR)*. Plurality and majority formulae embody the same objective but achieve it by different paths; both stand in opposition to PR. Proportional formulae require “engineering” to get to an electoral result. To achieve “fairness” requires ancillary conceptualization, including what is meant by a political party.
10. An operating system must combine choices from each category:
 - First-past-the-post (FPP) combines $DM=1$ (typically but not necessarily), a categorical ballot, and the **plurality** formula. Plurality produces seat-vote distortions but quite “efficient” decisions, in the sense that the identity of the government is rarely in doubt once the votes are counted, and counting is easy.
 - Like FPP, **majority** systems commonly use $DM=1$. Majority formulae also tend to be decisive, although it may take some days to identify what the electorate has decided. As majorities are rarely “natural,” a bit more engineering is required. The winner holds a majority in a very specific sense: he or she is the candidate preferred to all others in a straight fight. The trick is to engineer the straight fight:
 - The traditional form of engineering has been to use *two rounds*: the ballot is categorical and if no majority natural appears on the first round, a second round is conducted, typically with an elimination rule. A century ago this was a common system. Most of the countries that used it shifted to PR. France remains the most notable example.
 - The *alternative vote (AV)*, used in Australia, is an instantaneous multi-round tournament: $DM = 1$, majority formula, and preferential ballot.
 - The **PR** family necessarily combines some PR formula with $DM > 1$. There is a multiplicity of formulas and proportionality can be achieved with either a categorical or a preferential ballot. The choice of formula and ballot has non-trivial representational implications.
 - The oldest form of PR is the Single Transferable Vote (**STV**), which combines $DM > 1$, a preferential ballot, and a quota system that enables the distribution of second and subsequent preferences for candidates that reach the quota. The originators of STV did not envisage it as PR at all, but parties figured out how to make it so by restricting the number of candidates and urging supporters to order their lower preferences to minimize wastage. It achieves proportionality precisely to the extent that they strategize correctly. (Collusion among parties can affect the outcome at the margin.)
 - The other PR systems remove the requirement for this kind of strategizing. Indeed, one formula, D’Hondt, is the solution to the game embedded in STV. Some of the variation among PR systems reflects the fairness-decisiveness debate: some variants are more inclusive than others; many embody numerical thresholds to discourage very small parties. Other considerations include multi-party cooperation and the facilitation of

voter choice among candidates for a given party. What all have in common is that candidates for a given party coexist on a single **list** and that the party's entitlement to seats is proportional to its share of votes, however they are cast. Variations at the margin reflect the problem of rounding integers.

11. Certain combinations are logically impossible: for example, if $DM=1$, a system cannot be proportional.
12. Where the formula is majoritarian, $DM > 1$ distorts results even more than where $DM=1$. Where the formula is proportional, the opposite is true. A PR formula applied to a DM of 2 or 3 will not yield very proportional results.
13. Some of your witnesses have expressed a fondness for different combinations in different places, rural versus urban, for example. This is a very bad idea. The ballot-DM-formula combinations vary in the extent to which they are neutral vis-à-vis the electoral power of groups. It would be inappropriate to augment or suppress power in one place and keep the system neutral in another. In that context, the neutrality would be a fiction.
14. It is useful to recall that shifts among systems were not motivated by a disinterested conception of the common good. The shift from plurality to majority was designed to facilitate coordination on the political right. Australia moved to AV to block the rise of Labor without requiring the old Country Party to disappear. The Liberal-Conservative coalition government in BC had the same objective when it adopted the AV before the 1952 election. Ted Morton and Tom Flanagan went on record in 2001 with an AV proposal to unite the Canadian right. The shift to PR usually reflected similar considerations. As I note below, things did not always work out as planned.

The number of parties

15. The record for established democracies in recent years shows that PR systems harbour more parties in the electorate. If we use an index of the “effective number of parties” (ENP), which combines the raw number of distinguishable parties with their relative sizes, list PR systems have roughly 1.5 more parties than do the few remaining FPP systems. Majority and STV systems lie in between, but closer to FPP than to list PR. Equally notable, however, is how much variation there is within the categories. In recent years, list PR systems have ranged from 2.5 parties to 10.6. The world of FPP has also become very diverse, as only Jamaica and the US have anything resembling a two-party system. India is the most fractionalized of the FPP systems but Canada and Britain now have, by this index, 3.5 “parties”.
16. The preceding paragraph refers to the fractionalization of the electorate. FPP and list PR differ markedly when ENP is applied to seats. In most elections, FPP systems shrink the party system by 1.0 “parties” or more. This is another way of describing the disproportional results that occasion so much criticism. This pattern is not ironclad. When Canada has hung parliaments, for instance, the results are typically rather less disproportional. PR systems also vary in how much they shrink the party system, depending on the height of the threshold. As with FPP systems, shrinkage varies across unpredictable contingencies. The 2013 German Bundestag election was as brutal to small parties as any FPP system is.

Strategic voting

17. This is background to the potential for strategic voting. One argument for PR is that it reduces the incentive for voters to misrepresent their preferences. As André Blais argued before this committee, there is little evidence that this actually happens. I am sceptical of claims of absolute magnitudes, as they rely on weak indicators of sincere preferences. Whatever their aggregate prevalence, strategic considerations have been consequential in Canadian campaigns. Polls seem to have induced further shifts in 1988, 1993, and 2011, for instance, and possibly in 2015. But voters who shift in the wake of change in the strategic picture do not seem to respond to riding-specific information, which is where it would be truly relevant. Usually there isn't any such information (apart from historical patterns, which are not that helpful). The attempts to provide it in 2015 were often misleading. Ironically, the poll-induced shifts that I have plotted usually produced coordination failure: shifts to the Liberals in BC in 1988, to Reform in Ontario in 1993, and to the NDP in Ontario in 2013.
18. As Blais observed, PR does not abolish strategy. The existence of a threshold creates strategic opportunities for parties hovering near it. Even where the threshold is not at issue, voters have incentives to vote for parties further away from the political centre than they themselves are, so as to pull the ultimate governing coalition in their direction.

Ideological direction

19. Although, PR was often adopted to minimize threat to the political right, especially where it was divided, the long-run beneficiary has been the political left. Among established democracies in the postwar years, parties of the right controlled 75% of all portfolios under majoritarian frameworks, as opposed to 26% under PR ones. This in turn has induced much more redistributive effort in PR systems.

Policy stability

20. Because governments under PR are almost always coalitions, they resemble separated-powers systems in having more veto players than is typical of FPP parliamentary governments in the classic Westminster model. This is two-edged sword. It can make governments slower to respond to change and new challenges but it also makes them less capricious. Policies once adopted stay in place longer. There is evidence that this attracts investors concerned about the long run.

Representation of women

21. In terms of descriptive representation, women do better under list PR than under FPP: in the data that I've looked at, the difference is 17 percentage points. Some of this reflects the fact that DM is necessarily higher in PR systems. The larger the number of seats to be filled off a single count the more room there is for gender diversity on the ballot. More important, however, is how the ballot is constructed: women do better when the list is closed, when its composition is the result of a nation-wide process, and when voters are allowed only one choice—for the party label. It is also true, however, that the variance in the percentage female is higher under PR than FPP. Some PR systems have strikingly few female MPs.

22. For the substantive representation of women, the ballot logic runs the other way. Open lists, local nomination, and multiple preference votes create space for interests that have not been incorporated in the mainstream party battle, and it seems clear that these rules enable women to devote time and legislative effort to women's issues.

Politicization of ethnic differences

23. Contrary to widely held belief, ethnic differences tend to be less politicized electorally under PR than FPP. (As it happens, countries that use majoritarian rules are on average slightly more diverse than ones with proportional rules.) Although it is easier to form ethnic micro-parties under PR and these do proliferate, it is also easier for non-ethnically focussed parties to win votes from ethnic groups. For instance you can predict that a Spanish citizen who votes for the Republican Left of Catalonia (ERC) is Catalan, but most Catalans vote for non-Catalan parties. The key is the prospect of being pivotal. Under PR there are few opportunities to be electorally pivotal. Under FPP, there can be, although this too is a double edged sword. Minorities can be excluded simply on the system's majoritarian logic. But if the geography is favourable, strategically located minorities can be pivotal. In fact, relative to the size and civic status of immigrant minorities, majoritarian systems deliver more multicultural goods than proportional ones do.

Transitions

24. The history of electoral system transitions is not pretty. How relevant much of that history is to the normative landscape of the present is doubtful, however. I leave it to others to pronounce on the legalities of the constitution, but I do want to leave you with one thought. If there is to be an enduring shift in framework, it should not be the product of transitory (and possibly imagined) convenience for one or a few parties. This is part of what underlies the call for a referendum (although much of both support and opposition on this front seems disingenuous). One argument for a referendum is that voters should "own" the framework and any changes to it. I'm not sure the voters demand this. But there is another argument for which a referendum may be relevant but not required. It relates to my observation in paragraph 3. Rightly or wrongly, many citizens regard the political class as routinely engaged in the twin evils of manufacturing differences where there are none and of self-dealing. A blatant move on the electoral-system front would seem to exemplify the charge and reinforce the perception. Removing the appearance and, one hopes, the reality of self-dealing does not require a referendum, just a process where key choices can be reasonably be represented as disinterested. That is part of the appeal of citizens' assemblies. With hindsight, I have come to accept that the self-selection element in assembly recruitment produces a body that wants change, almost for its own sake. But we can imagine ways to deal with that, or deliberation processes that embody expertise more explicitly. This does not require parliament to abandon its sovereignty on the matter. It may require some kind of all-or-nothing approval process, as the US Congress has adopted for the politically fraught world of base closing and international trade agreements.