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Which Type of Democracy Performs Best?

Renske Doorenspleet and Huib Pellikaan
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Contact details: pellikaan@fsw.leidenuni.nl or renske.doorenspleet@warwick.uk

Biographical sketches:

Renske Doorenspleet is associate professor in comparative politics at the University of Warwick (UK), and director of the Centre for Studies in Democratisation (CSD). She has published a number of book chapters and articles, e.g. in *World Politics*, *Democratization*, *International Political Science Review*, and the *European Journal of Political Research*. Her book *Democratic Transitions: Exploring the Structural Sources of the Fourth Wave* (Boulder: Lynne Rienner, 2005) focused on theoretical and empirical explanations of recent transitions to democracy around the world. Together with Lia Nijzink (Cape Town University), she is editor of *One-Party Dominance in African Democracies* (Lynne Rienner, 2013) and their book *Political Parties, Party Systems and Democracy in Africa* (Palgrave Macmillan) is forthcoming.

Huib Pellikaan is assistant professor at the Department of Political Science, Leiden University (the Netherlands). His research is on rational choice and the methodology of measuring, and he investigated preferences towards environmental collective action problems; see e.g. his 2002 book with R.J. van der Veen, *Environmental Dilemmas and Policy Design*, Cambridge University Press. He has also published on crucial developments in Dutch politics; see e.g. the 2007 article 'Fortuyn's Legacy: Party System Change in the Netherlands' in *Comparative European Politics*, with S.L. de Lange and T. van der Meer, and his article 'The Impact of Religion on the Space of Competition: The Dutch Case' in *Politics and Religion*, 3 (2010), 469–494.

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Which Type of Democracy Performs Best?

Abstract

Which type of democracy performs best? While some scholars argue that an electoral system with proportional representation combined with a decentralized system works best, and that the type of electoral system is crucial (Lijphart 1999), others state that a proportional electoral system with a centralized (and hence not decentralized) system lead to better performance (Gerring et al. 2005; Gerring and Thacker 2008). Still other scholars claim that decentralization is crucial, particularly in countries with deeply divided societies (Norris 2008). In this article, we argue that Lijphart's earlier 1960s work needs to be combined with his more recent 1990s work, which results in an eightfold classification. This cube with eight different types of democracy not only enables us to compare the three rival claims in a systematic way, but is also a helpful tool for future studies focusing on types of democratic systems, and their origins and consequences. Our findings show that the type of electoral system is always crucial; the other two dimensions are crucial as well, though under different circumstances. In order to achieve the highest level of good governance, the best choice for the type of political system (centralization or decentralization) depends on the structure of the society (homogeneous or not). Centralization is best in homogeneous societies, while decentralization is best in heterogeneous societies. We recommend that future studies take into account all eight different types of democracy that can be distinguished based on Lijphart's theoretical arguments in earlier and later work.

Which Type of Democracy Performs Best?

Introduction

While democracy has conquered more and more places in the world, there is still considerable concern about the quality of democracy. These worries about the long-term health of democracy are not new. In the 1970s and 1980s, several theorists predicted a 'crisis' of Western democracy.¹ In the 1990s, however, this dominant view started to change, and scholars suddenly argued that there 'is little evidence to support the various theories of crisis, contradiction and catastrophe' (Budge and Newton 1997: 132). Moreover, the worldwide democratization wave after 1989 did not indicate a crisis for democracy – quite the opposite, in fact (Huntington 1991; Doorenspleet 2000). Democracy did not appear to be at risk.

Nowadays, scholars talk about 'challenges' instead of 'crises' of democracy (Burnell and Youngs 2009; see also Lewin 2000), believing that democracies are in fact able to react adequately to the problems they face,² by changing their institutions into more consensual or more majoritarian ones, for example. Proponents of majoritarian institutions generally emphasize the claim that majoritarian institutions enjoy a higher level of accountability,³ while proponents of consensual institutions point out that 'consensus systems tend to score significantly higher on a wide array of indicators of democratic quality' (Lijphart 1999: 8).⁴

Institutional change is often seen as a panacea. This way of thinking is reflected in efforts to change the type of electoral system in order to improve democracy in several countries (cf. Renwick 2011). The transformation of the Fourth French Republic into the Fifth Republic, for example, was accompanied by a shift from a parliamentary system with a proportional voting system to a presidential system with a majority system. This change

substantially modified the character of politics in France. Then again, the system was replaced in 1985 with list-PR, but only a year later it changed again into a more majoritarian system. Another example is New Zealand, which changed from a single-member plurality system into a mixed-member proportional system in 1993, in so doing moving to a consensus type of democracy. In the same year, Italy abandoned the list-PR system in favor of a more majoritarian system (see Renwick 2008; Shugart and Wattenberg 2001; Katz 2001), while more recently, Ireland moved away from a majoritarian system (Bulsara and Kissane 2009; see also Anderson 2009 and Sinardet 2010 on Belgium).⁵

The debate over the pros and cons of various institutional arrangements has not only been expressed in political practice, but has also been dealt with in the academic literature (Rose 1992; Castles 1994; Crepaz 1996a, 1996b; Blais and Carty 1996; Linz 2000; Schmidt 2002; Taagepera 2003; Ganghof 2005; Fortin 2008; Aarts and Thomassen 2008; Müller-Rommel 2008; Vatter 2009; Flinders 2010; Sinardet 2010; Vatter and Bernauer 2011). However, the empirical findings have not made it fully clear which type of democratic system performs best overall. While some scholars voice their support of majoritarian systems, the idea that consensual political institutions are ‘better’ seems to be dominant at the moment, thus relying on the influential and compelling work of Arend Lijphart since the 1960s.

Nevertheless, our article will show that there are still three rival claims within this body of literature that apply Lijphart’s work. While some scholars argue that an electoral system with proportional representation combined with a decentralized system works best, and that the type of electoral system is crucial (Lijphart 1999), others state that a proportional electoral system with a centralized (and hence not *decentralized*) system leads to better performance (Gerring et al. 2005; Gerring and Thacker 2008). Still other scholars claim that

decentralization is crucial, particularly in countries with deeply divided societies (Norris 2008).

Hence, despite the dominant position of Lijphart's ideas in this field, it is still unclear what the impact is of the different institutional choices on democratic quality and performance.⁶ Therefore, we will describe three rival claims in this article, and argue that we need to combine the theoretical and conceptual knowledge from Lijphart's earlier work (the so-called 'old' typology of democratic systems) with his more recent work (the so-called 'new' typology of democratic systems). This combination results in an eightfold classification, and we will present this cube with the eight different types of democracy in this article. Our typology combines three structural components: the electoral system (proportional representational vs. majority rule), the political system (centralized vs. decentralized) and the structure of the society (homogeneous vs. heterogeneous). The eightfold typology enables us to compare the three rival claims in a systematic way, and we contend that it is a helpful tool for future studies focusing on types of democratic systems and their origins and consequences.

Theoretical Background: The Development of Lijphart's Typology over Time

Which type of democratic system performs best? Before stepping into the discussion of the three rival claims based on empirical studies, let us first describe the development of theoretical typologies of democratic systems over time, which form the building blocks of our eightfold typology.

The typology of democracies is rooted in Almond's distinction of fragmented and homogeneous political culture on one hand, and the different types of elite behavior on the other hand (see Almond 1956; Lijphart 1969). Consociational democracy combines a

fragmented political culture with coalescent elite behavior, while majoritarian democratic systems are characterized by a homogeneous political culture with competitive elite behavior (Lijphart 1968: 38). When this distinction was made, it was argued that majoritarian democracy is preferable to consociational democracy, mainly because accountability and representativeness was considered to be better in a majoritarian democracy than in a consociational democracy (Aarts and Thomassen 2008). The most important reason to prefer the majoritarian system though was that the Westminster model was considered to be more stable than a consociational democracy. It was argued that a majoritarian democracy has a stable equilibrium, while consociational democracy has an unstable equilibrium where a small disturbance can lead to a highly unstable, centrifugal democracy. This conclusion was founded on the presumption that elite behavior can change in a relative short period, whereas the type of political culture is more or less fixed over time.

It is important to emphasize that the 'younger' Lijphart starts by explaining how a fragmented society with centrifugal tendencies can achieve and maintain a stable democracy.⁷ In other words, he is interested in trying to explain the stability of democracy and not the performance of democracies, which is central in his later work. He argues that the instability inherent in a consociational democracy is counteracted by the coalescent behavior of leaders of different segments (Lijphart 1977: 1). Consociational democracy is based on proportional representation and - as a type of democracy - it is contrasted with centripetal democracy, which is based upon majority rule.

In Lijphart's 1968 work, the types of democracy have not only a different electoral system, but also a different societal structure. Consociational democracy has a heterogeneous societal structure in which parties, groups, and associations are organized

along the lines of religious and ideological cleavages (Lijphart 1977: 4). Each of the two characteristics has two distinctive categories. The electoral system is divided into two main forms - proportional representation and majority rule - and the societal structure also has two forms - homogeneous and heterogeneous. The combination of the two characteristics leads to a typology with four different types of democracy (see Figure 1).

<< Figure 1 >>

Figure 1 represents the four types of democracy with the underlying structural characteristics and the corresponding behavioral roles of the political elite.⁸ The outer dimensions represent the structural components of a society, while the inner dimensions show the roles of the elite on the elite level and on the mass level. The four different types of democracy can be found at the core of the typology. The top left cell in Figure 1 shows the depoliticized democracies with coalescent leaders on the elite level who aggregate the overlapping interests of the people. The top right cell contains consociational democracies, which combine political leaders who are cooperative on the elite level and who activate segmented vested interests on the mass level. The bottom left cell contains the centripetal democracies with adversarial leaders on the elite level who articulate the overlapping concerns of the people. Centrifugal democracies are located in the bottom right cell with adversarial elite on the elite level who mobilizes segmental cleavages on the mass level.

The purpose of the classification is to make a distinction between types of democracy in terms of the level of stability (Lijphart 1977: 4). Democracies on the left side of the typology are most likely to achieve and maintain political stability. Depoliticized democracy is associated with that of the Scandinavian countries where the elite cooperate with each

other in a homogeneous environment. This combination of cooperative behavior with a homogeneous societal structure generates the greatest stability. Centripetal democracy, associated with the Anglo-American style of democracy, is also stable because the adversarial competition between parties will not escalate into civil violence. Crosscutting pressures in a homogeneous country will counterbalance the effects of elite competition. The democracies on the right side of Figure 1 are more vulnerable, but consociational democracies can remain stable as long as the political elite work together. Party leaders in consociational democracies like Belgium, Austria, the Netherlands, and Switzerland, are leaders of minorities who 'tend to assume moderate, middle-of-the-road positions. Such moderation is essential to political stability' (Lijphart 1977: 10).

If the political leaders in a consociational democracy such as Lebanon take extreme positions and behave in an adversarial manner, political stability will be lost. The centrifugal democracies are inherently unstable because adversarial behavior on the elite level, in combination with the mobilization of people along segmental cleavages, creates political instability. Examples of centrifugal democracies are the Weimar Republic, the French Third and Fourth Republics, and post-war Italy (Lijphart 1977: 114). Consociational democracy is presented as an ideal type that strengthens democratic institutions in countries with a heterogeneous societal structure: 'the application of the consociational model must be necessary means for the attainment of stable democracy' (Lijphart 1977: 223).

Lijphart's rationale and motivation behind developing typologies of democratic systems have shifted over time (see also Bogaards 2000) from a normative analysis of ideal types that can achieve and maintain stable democracy, towards empirical investigations of which type of democratic system performs best (or is most likely to yield 'good governance'). In 1999, Lijphart's classification of majoritarian versus consensus democracy no longer focuses

directly on differences in political culture and elite behavior. The typology of democracies is now derived from empirical conditions, such as the ten variables upon which Lijphart's 'two-dimensional conceptual map of democracy' is based (see Table 14.2 in Lijphart 1999: 246). This typology of democracy combines the significance of constitutional relationships between the legislature and executive (Loewenstein 1957; Riker 1975; Sartori 1976 and 1994; Bingham Powell 1982) with the idea that studies of types of democracy cannot be separated from studies of electoral systems (Duverger 1964; Rae 1967; Katz 1980; Taagepera and Shugart 1989; Linz 1990; Cox 1997).

Figure 2 presents the typology defined by these two dimensions; each dimension is divided into two categories, resulting in a fourfold typology of democratic systems. Consensus democracy can now be defined by executive power sharing and decentralization, while majoritarian democracy is characterized by strong government and centralization of power. The preferred model is no longer based on the notion of stability. In order to qualify as the best type of democracy, the pros must outweigh the cons.

The essence of the majoritarian-consensus contrasts is deduced from the definition of democracy as 'government by and for the people'. If people disagree and have conflicting preferences, the fundamental question is subsequently: 'who will do the governing and to whose interests should the government be responsive?' (Lijphart 1999: 1). The majoritarian model of democracy answers this question in terms of the 'majority of the people', while the consensus model accepts majority rule only as a *minimum* requirement and aims for broader participation in government and larger support in society (Lijphart 1999: 2). On the basis of these two interpretations of the meaning of 'government by and for the people', Lijphart infers ten principle differences between the institutional rules and practices of the two models of democracy.

<< Figure 2 >>

Consensus democracies have multiparty systems, parliamentarism with oversized, inclusive cabinet coalitions, proportional electoral systems, corporatist interest group structures, federal structures, bicameralism, rigid constitutions protected by judicial review, and independent central banks. These institutions ensure that only a broad majority can control policy. Moreover, the coalition in power can only have a limited (negative) impact on minority rights in such a system. The system aims to be inclusive, and endeavors to find compromises between different groups in society. In contrast to consensus democracies, majoritarian systems concentrate political power in the hands of a simple majority. Majority rule is exclusive, competitive, and adversarial in such systems. The archetype of a majoritarian democracy combines a two-party system with a highly centralized political system.

In addition, Lijphart observes a theoretical division between indicators that involve the division of power *within* government on one hand, and indicators that relate to the division of power *between* governments on the other hand. The first group of indicators is combined in to an 'executive-party dimension', while the second group comprises a 'federal-unitary dimension'. Nevertheless, despite this division into two separate theoretical dimensions, Lijphart defines majoritarian and consensual ends of the scale. The ten differences are clearly formulated 'in terms of dichotomous contrasts between the majoritarian and consensus models' (1999: 3). Hence, Lijphart's 1999 typology of democratic systems contains the two dimensions of types of electoral systems (PR versus majoritarian system)

and types of political system (decentralized federal system versus centralized unitary system) in which different countries can be located.

In the top right cell of Figure 2 are the countries with a Westminster model of democracy: the United Kingdom, New Zealand and a number of British Commonwealth countries. These countries are labeled as *majoritarian democracies*, and they combine a majoritarian electoral system with a centralized political system. The bottom right cell includes the other countries with a majoritarian electoral system that have a decentralized political system, and are called *federal democracies*. Countries such as the United States, Australia, and Canada fall into this category. The top left cell includes democracies which not only have a proportional electoral system, but also have a centralized political system. Scandinavian countries in particular can be categorized as this type of *unitary democracies*. At the bottom half of the left side, we find the *consensus democracies*, which are democratic systems with a decentralized political system and a proportional electoral system. This type of democratic system can be found in countries such as Belgium, Austria, Switzerland, and the Netherlands.

The 'older Lijphart' prefers consensus over majoritarian democracy as 'consensus democracy may not be perfect, but in most respects it works better than majoritarian democracy: the pros outweigh the cons' (Lijphart 2001: 137). He concludes that consensus democracy produces 'kinder and gentler' policies than majoritarian democracy.

Lijphart has acknowledged this shift in his evaluation of the respective merits of majoritarian democracy on one hand, and consensus and consociational democracy on the other hand (Lijphart 2001: 129). He explains that the discrepancy between the younger and older Lijphart is partly the result of a 'fundamental change in [his] thinking' (Lijphart 2001:

131) and partly because the younger and older Lijphart compare different typologies of democracy.

Empirical Findings in Previous Studies: The Three Rival Claims

So, which type of democracy performs best? Recent empirical studies that rely on Lijphart's theories and typologies, as described above, offer contradictory answers to this question. In this section, we will describe the three rival claims of scholars who apply Lijphart's theoretical ideas, but come to different conclusions in doing so. We will show that these recent studies all focus on a different combination of Lijphart's dimensions from both his old and new work, thereby leading to these contradictory conclusions. Subsequently, we will demonstrate that all three claims can be supported to a certain extent, and under certain conditions. When we combine Lijphart's old and new ideas in one overarching framework, or one 'cube' with three dimensions and thus eight different types of democracy, the three rival claims can be tested in a systematic way showing that every claim is correct under certain circumstances.

What are the three rival claims? The first claim comes from Lijphart's own empirical analyses in his 1999 book *Patterns of Democracy*.⁹ In this study focusing on 36 established democracies, Lijphart claims that the combination of having proportional representation electoral system and a decentralized political system, which he calls 'consensus democracy', performs better on economic and democratic indicators than majoritarian democracy does. For Lijphart, the principal difference is the contrast between consensus democracy on the one hand, and majoritarian democracy on the other hand (Lijphart 1999: 1).

The conventional wisdom was that majoritarian systems were better at policy formulation and implementation, and governing, while non-majoritarian democracies were

better at integrating opponents, and representing minorities (Schmidt 2002, Doorenspleet 2005). The idea was that political elites in new democracies must decide whether the effectiveness of the government is more or less important than the representation of minority groups in the society when they choose and design the type of system. Empirically, however, Lijphart (1999) finds out that consensual systems are *always* better, both at governing (although this impact is not statistically significant) and at representing. He investigates the effects of consensus democracy - not only on levels of economic performance, but also on democratic quality defined in terms of political performance and the presence of certain characteristics of 'kinder and gentler democracies' such as the level of welfare state provisions and dispersal of foreign aid (Lijphart 1999: 275-276).

Hence, Lijphart focuses on the distinction between consensus and majoritarian systems. He first argues that the type of electoral system (PR) and the type of political system (decentralization) are the most important explanations of good performance and high democratic quality. In the end, however, he believes that the type of electoral system is crucial. It is problematic that his empirical analyses only focus on the effects of the type electoral system, so the impact of political system (decentralization/ centralization) is neglected, hence we do not know whether or not PR is a crucial. Moreover, Lijphart now believes consensus democracy is the most appropriate type of democracy under *all* circumstances. While in the 1960s, Lijphart advocated consociationalism primarily for societies deeply divided along ethnic, religious, ideological, or other cleavages, by the 1990s he argues that consensus democracy is best for *any* society.

The second claim seems to contradict the first claim. Analyzing all countries, Gerring and Thacker (2008) and Gerring et al. (2005) come to the opposite conclusion, namely that a centralized authority - and hence not decentralization - combined with proportional

representation will lead to better governance overall. The principal difference between these scholars' analyses is the distinction between decentralism and centripetalism as two general models of democratic governance. The best performing democracies are unities with centralized political systems, proportional representation, and inclusive institutions. Their concept of inclusiveness refers to a structure of society that is homogeneous, in which the political institutions 'must reach out to all interest, ideas, and identities' (Gerring and Thacker 2008: 19).

Hence, this second claim focuses on the distinction between decentralism and centripetalism as the main types of democratic system. According to these studies, the type of electoral system (PR) and the type of political system (centralization, not decentralization) are the important explanations for a high performance and democratic quality. In this view, the combination of a proportional representation electoral system and a centralized political system, which the authors call 'centripetal democracy'¹⁰, performs better on economic and democratic indicators than other types of system. See Table 1 for a short summary of this second claim.

While the first and second claims focus on the impact of the electoral and political system, the third claim takes not only the political system into account, but also the structure of society. For Norris, for example, the most important factors in driving a strong democracy are both the political system (decentralization/ centralization) and whether or not the constitutional design specifies the adoption of a federal or unitary state (Norris 2008: 155). Norris claims that 'a strong linkage should be found between levels of government, decentralization and patterns of democracy' (Norris 2008: 161).

The most important factor for Norris is constitutional design, that is, the political constitution of a federal or unitary state, and the political centralization of power (Norris

2008: 155). She stipulates the positive impact of power sharing by decentralization on consociational democracy. The crux of her theory is that in deeply divided countries, one should not simply rely on Lijphart's solution, namely cooperative behavior among the political elite. The strength of the electoral incentives for adversarial behavior makes consociational democracy very fragile. This is especially relevant in developing countries. Federalism and political decentralization that lead to *vertical* power sharing among multiple layers of governance is the solution for all countries, according to Norris (2008: 157).

In this view, the societal structure (heterogeneous) and type of political system (decentralization) are the most important factors. Theoretically and empirically, this research includes parts of the old 1968 typology (structure of society) and the more recent 1999 typology (political system); it concludes that decentralization is crucial, particularly in countries with deeply divided societies (Norris 2008). In this view, decentralization in heterogeneous countries, which is called 'consociational democracy', works best; this claim is supported by thorough statistical analyses of all countries (see Norris 2008, see also Table 1 for summary).

<< Table 1 >>

In this section, we described the three rival claims of scholars who apply Lijphart's theoretical ideas, but come to different conclusions as a result. We showed that these recent studies all focus on a different combination of Lijphart's dimensions from both his old and new work, thereby leading to these contradictory conclusions. The only way to test and compare the different claims in a systematic manner –and hence to determine which claim is empirically the strongest and most compelling— is to combine the old and new typologies

of democratic systems (Figure 1 and 2) in one single framework, which we will do in the next section.

The Cube

In this section, we will demonstrate that all three claims can be supported to a certain extent and under certain conditions. When we combine Lijphart's old and new ideas in one overarching framework, or one 'cube' with three dimensions and thus the eight different types of democracy, then the three rival claims can be tested in a systematic way showing that every claim is correct under certain circumstances.¹¹

In our view, the two typologies of Lijphart's earlier and later work need to be combined in one cube. In this way the rival claims can be tested, as the old 1968 typology pays little attention to political centralization, which is the principal focus of more recent studies, while the new 1999 typology ignores the distinction between homogeneous and heterogeneous societal structures, which was central in earlier work.

Figure 3 shows the three-dimensional model that combines the two typologies. The cube has three axes: the x-axis represents the electoral system, the y-axis the political system, and the z-axis the societal structure. If we look at the front of the cube, we can see that consensus democracy includes consociational democracy, and depoliticized democracy as well. If we look at the top of the cube, we can see that consociational democracy contains both consensus democracy and unitary democracy. Majoritarian democracy has characteristics in common with centripetal democracy and centrifugal democracy, while centripetal democracy also includes federal democracy.

Without discussing all countries individually, we would like to offer a macro view of the content of the eight blocks of the cube. Starting with the front of the cube, the type of

‘Unitary-Consociational’ mainly includes countries from Central and Eastern Europe and some countries from Sub-Saharan Africa. The ‘Majoritarian-Centrifugal’ type contains countries from the Caribbean, non-Iberia America, and Sub-Saharan Africa. ‘Consensus-Consociational’ includes the cases of Belgium, Switzerland, and the Netherlands. ‘Federal-Centrifugal’ includes Australia, Canada, and countries from Sub-Saharan Africa.

At the back of the cube, the type of ‘Unitary-Depoliticized’ includes countries from Latin America, and all Scandinavian countries. ‘Majoritarian-Centripetal’ contains countries from the former Soviet Union, countries from South East Asia, and the prime examples the United Kingdom, and New Zealand. ‘Consensus-Depoliticized’ includes Argentina as well as Portugal, Italy, and Austria. Finally, ‘Federal-Centripetal’ includes Latin American countries, Japan, and large federations like India, Russia and the United States.

The distribution of countries in the cube supports Golder’s evidence that ‘geographical regions tend to share the same regime type and the same electoral formula’ (Golder 2005: 118). In addition, the clustering of geographical regions and types of democracy in the cube is likely to be related to the colonial past of the new democracies. Although very interesting, exploring the relationship between geographical regions, colonial history of countries and their location in the cube is outside of the scope of this study. In the remainder of this article, we will focus on the structural components of the cube and the effect the different types of democracy have on good governance. After having defined the eight types of democracy, we can now specify which type of democracy performs the best, and discover which of the three opposing views is correct.

<< Figure 3 >>

Which Type of Democracy Performs Best? Our Empirical Findings

For the test of the rival claims, we use six different indicators of good governance plus an aggregate index that encompasses all six measures. The first indicator 'voice and accountability' includes aspects of the political process, liberties, and rights that measures the ability of citizens to participate in the selection of government as well as the independence of the news media that holds government authority accountable. The second indicator 'political stability' measures the perceived likelihood that the government will be overthrown by unconstitutional means. The third indicator 'government effectiveness' measures the ability of the government to formulate and implement sound policies, and includes the quality of the provision of public goods and services. The fourth indicator 'regulatory quality' measures how well the government is able to intervene in the economy without disrupting the market mechanism. The fifth indicator 'rule of law' measures the extent to which people and institutions abide by the rules of society and how successfully property rights are protected. The sixth indicator 'corruption' measures the lack of respect of the corrupter, and the corrupted for the rules that govern their actions. The governance estimates are normally distributed and a higher score is indicative of better performance (Kaufmann *et al.* 2004: 254-261).

As a first step, we compared the eight different types of democratic system with regard to the different indicators of good governance. Our three-dimensional cube includes all three relevant structural components: electoral system, political system, and the societal structure. Table 2 shows the average score of the eight types of democracies on the six governance indicators. The F-ratio of the within-group variance confirms that the means of the different types of democracy differ significantly when we seek to explain levels of good governance. Two types of democracy have considerably higher levels of good governance

than the other six types of democracy: the ‘unitary-depoliticized’ type and the ‘consensus-consociational’ type. Unitary-depoliticized democracy has the highest score on four indicators of good governance, and has the second-highest score on the other two indicators. Consensus-consociational democracy has the highest score on two indicators, and the second highest score on the rest of the indicators.¹²

Based on the empirical findings in Table 2, it is difficult to decide which of the claims is most convincing. The fact that the ‘consensus-consociational’ type has the highest scores shows that the first claim (by e.g. Lijphart 1999) and third claim (by e.g. Norris 2008) can be seen as the winners. Nevertheless, the fact that the ‘unitary-depoliticized’ type also yields the highest levels of good governance can be seen as evidence that the second claim (by e.g. Gerring and Thacker 2008) is correct as well. There is one clear finding based on these results: in general, democracies with proportional representation electoral systems perform better than democracies with majority rule. While the positive effect of proportional representation is unambiguous, the two other structural components, however, do not have such a clear-cut impact. It cannot be determined whether the success of unitary-depoliticized democracy and consensus-consociational democracy can be attributed either to the societal structure, or to the centralization of the political system.

<< Table 2 >>

As a consequence, the second required step is to investigate the separate independent impact of the three dimensions (electoral and political system, and social structure) on the level of good governance. The aim of this step is to determine whether the idea of power sharing and decentralization (Norris 2008) or the idea of the centralized authority (Gerring

and Thacker 2008) is correct. The first dummy variable is 'electoral system' with majority rule coded as (0) and proportional representation as (1). The regression coefficient b_1 in Table 3 indicates whether or not the type of electoral system can explain the different levels of good governance. The second dummy variable is 'political system' with a split between centralized (0) and decentralized (1) countries. Regression coefficient b_2 shows whether or not the type of political system (centralized or decentralized) can explain the different levels of good governance. The third dummy variable makes a distinction between heterogeneous (0) and homogeneous (1) societies. The regression coefficient b_3 shows the difference between the mean good governance score for countries with a heterogeneous and a homogeneous societal structure.

The results of the multiple regression analysis in Table 3 confirm the importance of the type of electoral system as an explanatory variable, as it is statistically significant in all of the six regression analyses. Moreover, the type of electoral system has the largest effect on the first two indicators: 'voice and accountability' and 'political stability'. Apparently, proportional representation has a positive impact on the ability of citizens to participate in the election of the new government and on the perception that the new government will be elected by constitutional means.

The societal structure is also a significant factor in explaining good governance. A homogeneous society has a positive impact on the ability of the government to implement policies, and to guarantee the provision of high quality public goods and services, maintenance of the rule of law, regulation of the economy and curtailing corruption. The regression coefficient of societal structure is positive and significant for five of the six indicators of good governance.

The type of political system, however, is not statistically significant. This result implies that neither the third claim exemplified by Norris (that decentralization is important), nor the second claim exemplified by Gerring and Thacker (that centralization is crucial, the so-called ‘centripetal theory’) find support in these regression analyses.

<< Table 3 >>

However, before we reject the idea that (de)centralization matters - and hence conclude that the ideas of both Norris, and Gerring and Thacker are not correct - we would like to take a third step. Instead of presenting the scores of the six indicators for each type of democracy separately, we make a pair-wise comparison of the eight blocks of the cube (see Table 4). First we compare the blocks on the left with the blocks on the right; for example ‘unitary-depoliticized’ with ‘majoritarian-centripetal’ systems, and analyze whether or not the average good governance scores are different. The pair-wise left versus right comparison of all types of democracy reveals that in each comparison the democracies with proportional representation have a higher score. This result is consistent with the outcomes of the regression analysis.

The second group of pair-wise comparisons includes homogeneous and heterogeneous society along the z-axis of the societal structure (see Table 4). In this way, we find some interesting new information, namely that homogeneous societies have a higher level of good governance than heterogeneous societies. However, this is only true for the top of the cube, that is for the countries with centralized political systems. For the bottom of the cube, the contrast between homogeneous and heterogeneous democracies is reversed. In the

group of decentralized countries, the level of good governance in heterogeneous democracies is higher than in the homogeneous ones.

The third group of pair-wise comparisons along the y-axis of political centralization shows a similar pattern (see Table 4). The difference between the centralized and decentralized countries depends on the societal structure. The heterogeneous countries with a decentralized political structure have a higher average level of good governance than the homogeneous countries with a decentralized structure. This is only the case for the countries on the back of the cube though, and the direction of the relationship is the opposite for countries on the front of the cube: heterogeneous countries with a decentralized structure have a lower level of good governance than the homogeneous democracies.

<< Table 4 >>

The findings presented in Table 4 show that the interactions between centralized and homogeneous on one hand, and decentralized and heterogeneous on the other hand, have a reinforcing effect on levels of good governance. The type of political system does appear to be crucial after all, but the effect depends on the type of social structure. In order to test this idea further, we need to take the fourth and final step in our analysis, and construct a new interaction variable. The centralized and homogeneous countries are combined with the decentralized and heterogeneous countries, and are positioned against the other four types of democracies. This interaction variable (between political system and societal structure) is included in new regression analyses; see our findings in Table 5.

<< Table 5 >>

The findings presented in Table 5 show that the type of electoral system again has a statistically significant effect on the level of good governance; PR systems have a higher level of good governance than majoritarian electoral systems (Knutsen 2010). Our analyses show that the type of electoral system is always crucial: countries with PR have a higher level of good governance, thereby confirming Lijphart's ideas (i.e. Lijphart 1999). However, in his bivariate regression analysis of the effect of consensus democracy, Lijphart uses only the executive-parties dimension, which not only means that the distinction between 'unitary-depoliticized' and 'consensus-consociational' democracies disappears, but also that the whole notion of (de-)centralization is lost in the analysis.

The positive effects of PR have not been denied by Norris and Gerring and Thacker, as they also emphasize - Gerring and Thacker more so than Norris - that proportional representation electoral systems have a beneficial influence on good governance. Still, it is important to point out that Gerring and Thacker not only claim that the 'unitary-depoliticized' type yields a significantly higher level of good governance; its combination of PR with a centralized political system also includes the 'unitary-consociational' type of democracy. However, our empirical analyses show that this type of democracy (the 'unitary-consociational' type) does not perform very well with regard to good governance. Moreover, the claim by Norris covers the 'consensus-depoliticized' type of democracy as well, and our analyses show that this type (the 'consensus-depoliticized' type) yields a much lower level of good governance compared to 'consensus-consociational' democracies, for example.

These analyses lead us to come to the following conclusion: while the three rival claims seem to contradict each other, they all have their own merits, albeit under different circumstances. The new regression analysis with the interaction between political system and societal structure reveals the underlying structural forces at work. The combination of political system with societal structure not only has a *statistically significant effect* on good governance, but also has a *stronger effect* than the type of electoral system. In other words, the type of electoral system is always crucial, but the other two dimensions are crucial as well, though under different circumstances. In order to achieve the highest levels of good governance, the best choice for the type of political system (centralization or decentralization) depends on the structure of the society (homogeneous or heterogeneous). Centralization is best in homogeneous societies, while decentralization is best in heterogeneous societies.

Conclusion

Which type of democratic system performs best? Our starting point was Arend Lijphart's typologies of democracies (1968-1999), as they have been very influential and have led the debate on institutional reform. Lijphart is a very influential scholar in the academic debate on institutional engineering of democratic systems. Moreover, he is not only an excellent scholar, but has also had considerable influence on political practice, being a political advisor to the peace process in Northern Ireland, to the government in South Africa, and to designers of the electoral system in Fiji. Hence, Lijphart's work is crucial in the debate on types of democracy, institutional reform and good governance.

Despite the fact that Lijphart's work is dominant in this field, there are still different claims that contradict each other. While some scholars argue that an electoral system with

proportional representation combined with a decentralized system works best, and that the type of electoral system is crucial (Lijphart 1999), others state that a proportional electoral system with a centralized (and hence not a decentralized) system leads to better performance (Gerring et al. 2005; Gerring and Thacker 2008). Still other scholars claim that decentralization is crucial, particularly in countries with deeply divided societies (Norris 2008).

In this article, we argued that Lijphart's earlier 1960s work needs to be combined with his more recent 1990s work, which results in an eightfold classification. This cube of eight different types of democracy not only enables us to compare the three rival claims in a systematic way, but is also a helpful tool for future studies focusing on types of democratic system and their origins and consequences. Using this cube, it appears that each of the three claims is correct under certain circumstances.

Our first finding is that type of electoral system is a very important explanatory variable. All of our analyses show that electoral systems with proportional representation yield higher levels of good governance than majoritarian electoral systems. Nevertheless, the second finding of our article is that the impact of electoral reform has been overemphasized in previous studies, while the consequences of alternative institutional changes have received less attention.¹³ It appears that the interaction between societal structure and type of political system is a crucial explanatory variable for levels of good governance. We strongly recommend that future studies take into account all three dimensions, and hence also all eight different types of democratic systems, which can be distinguished based on Lijphart's theoretical arguments in his earlier and later work.

The type of electoral system is always important, but the other two dimensions are crucial as well- though under different circumstances. In order to achieve the highest levels

of good governance, the best choice of the type of political system (centralization or decentralization) depends on the structure of the society (homogeneous or not). Centralization is best in homogeneous societies, while decentralization is best in heterogeneous societies. The societal structure is a very important factor in democratization studies based on Lijphart's older work (e.g. 1968), but has been neglected in more recent analyses. Still, our analyses showed that this factor is crucial when explaining good governance, and needs to be taken into account in future analyses. Moreover, the interaction of this factor with the type of political system is crucial and should not be neglected in future research.

Our results are not only important from a comparative methodological point of view - meaning that measurements should build on theories and concepts in a more consistent way (see Sartori 1970; Adcock and Collier 2001; Goertz 2005) - but also in terms of the broader theoretical debate on the future of democracy. So far, in comparative politics, the mainstream discussion around designing democracy has focused on the principal types of consensus versus majoritarian democracy.¹⁴ Our study, however, shows that the debate should shift its attention. The debate should no longer focus on the effects of the consensus model with power sharing in a decentralized government on one hand, and the majoritarian model with strong control in a centralized government on the other hand. Instead, future research should devote more attention to the impact of the type of electoral system on one hand, and the interaction between political system and societal structure on the other hand. The possible impact of this interaction on the functioning of democracy should not be neglected anymore.

Finally, our study has implications for politics and policy recommendations. Until now, the ideas of consociationalism and consensus democracies have prevailed in academic and

policy debates about the best democratic institutions. Consensus democracies are thought to be desirable, not only generally in established democracies, but also more specifically in countries that are still in the midst of a democratization process. Our empirical findings showed a more complex pattern: while PR electoral systems are always best, at least with regard to good governance indicators, the choice of a specific political system (decentralization or not) depends on the societal structure in a country (heterogeneous or not). Centralization works best in homogeneous countries, while decentralized systems are the best forms of government in heterogeneous countries.

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Table 1 Three rival claims

	Explanations of performance	Crucial explanation of performance	Used terminology of crucial explanatory variable	Cases included in empirical analyses
Lijphart (1999)	Electoral system (PR) and Political system (decentralization)	Electoral system (PR)	Consensus democracy	36 established democracies
Gerring and Thacker (2008)	Electoral system (PR) and Political system (centralization)	Electoral system (PR) and Political system (centralization)	Centripetal democracy	All countries
Norris (2008)	Structure of society (heterogeneous) and Political system (decentralization)	Political system (decentralization)	Consociational democracy	All countries

Table 2 The eight types of democratic systems and their levels of good governance

Good governance:			Mean	N	Std. dev	
Voice and accountability						
<u>unitary</u>	<u>&</u>	<u>depoliticized</u>	<u>.9319</u>	21	.62668	
unitary	&	consociational	.2329	16	.54512	
majoritarian	&	centripetal	.4077	14	.93075	
majoritarian	&	centrifugal	.1442	18	.64942	
consensus	&	depoliticized	.6228	6	.79634	
<u>consensus</u>	<u>&</u>	<u>consociational</u>	<u>.9592</u>	9	.66761	
federal	&	centripetal	.1450	7	.71472	
federal	&	centrifugal	.4115	7	.81966	
total			.4884	98	.75262	Anova F = 2.991 **
Good governance:			Mean	N	Std. dev	
Political stability						
<u>unitary</u>	<u>&</u>	<u>depoliticized</u>	<u>.5942</u>	21	.74264	
unitary	&	consociational	.0007	16	.68576	
majoritarian	&	centripetal	.0074	14	1.00693	
majoritarian	&	centrifugal	-.1508	18	.95947	
consensus	&	depoliticized	-.1071	6	1.07519	
<u>consensus</u>	<u>&</u>	<u>consociational</u>	<u>.4971</u>	9	.55219	
federal	&	centripetal	-.2342	7	.80749	
federal	&	centrifugal	-.1157	7	1.01772	
total			.1149	98	.87675	Anova F = 1.833 *
Good governance:			Mean	N	Std. dev	
Government effectiveness						
<u>unitary</u>	<u>&</u>	<u>depoliticized</u>	<u>.9127</u>	21	.91282	
unitary	&	consociational	-.0808	16	.78261	
majoritarian	&	centripetal	.4384	14	1.01924	
majoritarian	&	centrifugal	-.1269	18	.78647	
consensus	&	depoliticized	.3991	6	.76318	
<u>consensus</u>	<u>&</u>	<u>consociational</u>	<u>.9376</u>	9	.94786	
federal	&	centripetal	.1179	7	1.00982	
federal	&	centrifugal	.3243	7	1.21524	
total			.3638	98	.97525	Anova F = 2.969 **

Good governance:			Mean	N	Std. dev	Anova F = 2.820 **
Government regulatory quality						
<i>unitary</i>	<i>&</i>	<i>depoliticized</i>	<i>.8276</i>	21	.69579	
unitary	&	consociational	.0500	16	.78495	
majoritarian	&	centripetal	.5348	14	.90300	
majoritarian	&	centrifugal	-.0934	18	.67123	
consensus	&	depoliticized	.4118	6	.85692	
<i>consensus</i>	<i>&</i>	<i>consociational</i>	<i>.8047</i>	9	.74776	
federal	&	centripetal	.0116	7	1.10054	
federal	&	centrifugal	.2774	7	1.03623	
total			.3645	98	.86148	

Good governance:			Mean	N	Std. dev	Anova F = 2.887 **
Rule of law						
<i>unitary</i>	<i>&</i>	<i>depoliticized</i>	<i>.8205</i>	21	.91834	
unitary	&	consociational	-.2412	16	.65515	
majoritarian	&	centripetal	.2923	14	1.08772	
majoritarian	&	centrifugal	-.2098	18	.78589	
consensus	&	depoliticized	.1941	6	1.07566	
<i>consensus</i>	<i>&</i>	<i>consociational</i>	<i>.8041</i>	9	1.02412	
federal	&	centripetal	-.0792	7	1.17104	
federal	&	centrifugal	.1086	7	1.24411	
total			.2275	98	1.01043	

Good governance:			Mean	N	Std. dev	Anova F = 3.459 **
Corruption						
<i>unitary</i>	<i>&</i>	<i>depoliticized</i>	<i>.9316</i>	21	1.03753	
unitary	&	consociational	-.3071	16	.59367	
majoritarian	&	centripetal	.1933	14	1.21003	
majoritarian	&	centrifugal	-.1889	18	.73725	
consensus	&	depoliticized	.3231	6	1.04923	
<i>consensus</i>	<i>&</i>	<i>consociational</i>	<i>.9242</i>	9	1.04610	
federal	&	centripetal	-.0053	7	.94212	
federal	&	centrifugal	.1348	7	1.32018	
total			.2563	98	1.05534	

•types of democracies with highest levels of good governance are italic and underlined in this table

Table 3 Multiple regression analysis with impact of the three dimensions on governance indicators**Voice and Accountability**

R square = .111	F = 3.903 **	N = 98	coefficient	(Std. Error)
Intercept			= .113	(.136)
Electoral system	0 = majoritarian	1 = proportional	b ₁ = .407	(.146 **)
Political system	0 = centralized	1 = decentralized	b ₂ = .125	(.160)
Structure society	0 = heterogeneous	1 = homogeneous	b ₃ = .250	(.146 *)

Political Stability

R square = .070	F = 2,354 *	N = 98	coefficient	(Std. Error)
Intercept			= -.162	(.162)
Electoral system	0 = majoritarian	1 = proportional	b ₁ = .412	(.174 **)
Political system	0 = centralized	1 = decentralized	b ₂ = -.078	(.190)
Structure society	0 = heterogeneous	1 = homogeneous	b ₃ = .166	(.174)

Government Effectiveness

R square = .100	F = 3.471 **	N = 98	coefficient	(Std. Error)
Intercept			= -.109	(.177)
Electoral system	0 = majoritarian	1 = proportional	b ₁ = .377	(.191 *)
Political system	0 = centralized	1 = decentralized	b ₂ = .198	(.280)
Structure society	0 = heterogeneous	1 = homogeneous	b ₃ = .438	(.191 **)

Government Regulatory Quality

R square = .098	F = 3.385 **	N = 98	coefficient	(Std. Error)
Intercept			= -.033	(.157)
Electoral system	0 = majoritarian	1 = proportional	b ₁ = .343	(.169 * *)
Political system	0 = centralized	1 = decentralized	b ₂ = .086	(.184)
Structure society	0 = heterogeneous	1 = homogeneous	b ₃ = .388	(.169 **)

Rule of Law

R square = .089	F = 3.066 **	N = 98	coefficient	(Std. Error)
Intercept			= -.226	(.185)
Electoral system	0 = majoritarian	1 = proportional	b ₁ = .382	(.199 *)
Political system	0 = centralized	1 = decentralized	b ₂ = .131	(.217)
Structure society	0 = heterogeneous	1 = homogeneous	b ₃ = .432	(.199 **)

Corruption

R square = .107	F = 3.752 **	N = 98	coefficient	(Std. Error)
Intercept			= -.275	(.191)
Electoral system	0 = majoritarian	1 = proportional	b ₁ = .449	(.205 * *)
Political system	0 = centralized	1 = decentralized	b ₂ = .219	(.225)
Structure society	0 = heterogeneous	1 = homogeneous	b ₃ = .467	(.205 **)

Table 4 Pair-wise comparison of types of democracies and good governance indicators

proportional representation		majority rule	
	unitary-depoliticized N=21	>	majoritarian-centripetal N=14
Voice	.9319	>	.4077
Stability	.5942	>	.0074
Effectiveness	.9127	>	.4384
Regulatory	.8276	>	.5348
Rule of law	.8205	>	.2923
Corruption	.9316	>	.1933
<hr/>			
	unitary-consociational N=16	>	majoritarian-centrifugal N=18
Voice	.2329	>	.1442
Stability	.0007	>	-.1508
Effectiveness	-.0808	>	-.1269
Regulatory	.0500	>	-.0934
Rule of law	-.2412	<	-.2098
Corruption	-.3071	<	-.1889
<hr/>			
	consensus-consociational N=9	>	federal-centrifugal N=7
Voice	.9592	>	.4115
Stability	.4971	>	-.1157
Effectiveness	.9376	>	.3243
Regulatory	.8047	>	.2774
Rule of law	.8041	>	.1086
Corruption	.9242	>	.1348
<hr/>			
	consensus-depoliticized N=6	>	federal-centripetal N=7
Voice	.6228	>	.1450
Stability	-.1071	>	-.2342
Effectiveness	.3991	>	.1179
Regulatory	.4118	>	.0116
Rule of law	.1941	>	-.0792
Corruption	.3231	>	-.0053

Table 4 continued

	homogeneous		heterogeneous
Centralized	unitary-depoliticized N=21	>	unitary-consociational N=16
Voice	.9319	>	.2329
Stability	.5942	>	.0007
Effectiveness	.9127	>	-.0808
Regulatory	.8276	>	.0500
Rule of law	.8205	>	-.2412
Corruption	.9316	>	-.3071
Centralized	majoritarian-centripetal N=14	>	majoritarian-centrifugal N=18
Voice	.4077	>	.1442
Stability	.0074	>	-.1508
Effectiveness	.4384	>	-.1269
Regulatory	.5348	>	-.0934
Rule of law	.2923	>	-.2098
Corruption	.1933	>	-.1889
Decentralized	consensus-depoliticized N=6	<	consensus-consociational N=9
Voice	.6228	<	.9592
Stability	-.1071	<	.4971
Effectiveness	.3991	<	.9376
Regulatory	.4118	<	.8047
Rule of law	.1941	<	.8041
Corruption	.3231	<	.9242
Decentralized	federal-centripetal N=7	<	federal-centrifugal N=7
Voice	.1450	<	.4115
Stability	-.2342	<	-.1157
Effectiveness	.1179	<	.3243
Regulatory	.0116	<	.2774
Rule of law	-.0792	<	.1086
Corruption	-.0053	<	.1348

Table 4 continued

	centralized		decentralized
Heterogeneous	unitary-consociational N=16	<	consensus-consociational N=9
Voice	.2329	<	.9592
Stability	.0007	<	.4971
Effectiveness	-.0808	<	.9376
Regulatory	.0500	<	.8047
Rule of law	-.2412	<	.8041
Corruption	-.3071	<	.9242
Heterogeneous	majoritarian-centrifugal N=18	<	federal-centrifugal N=7
Voice	.1442	<	.4115
Stability	-.1508	<	-.1157
Effectiveness	-.1269	<	.3243
Regulatory	-.0934	<	.2774
Rule of law	-.2098	<	.1086
Corruption	-.1889	<	.1348
Homogeneous	unitary-depoliticized N=21	>	consensus-depoliticized N=6
Voice	.9319	>	.6228
Stability	.5942	>	-.1071
Effectiveness	.9127	>	.3991
Regulatory	.8276	>	.4118
Rule of law	.8205	>	.1941
Corruption	.9316	>	.3231
Homogeneous	majoritarian-centripetal N=14	>	federal-centripetal N=7
Voice	.4077	>	.1450
Stability	.0074	>	-.2342
Effectiveness	.4384	>	.1179
Regulatory	.5348	>	.0116
Rule of law	.2923	>	-.0792
Corruption	.1933	>	-.0053

Table 5 The impact of interaction between political system and structure of society**Voice and Accountability**

R square = .170		F = 4.760 **	N = 98	coefficient	(std.err)
Intercept				= .415	(.177)
Electoral system	0 = majoritarian	1 = proportional		b ₁ = .368	(.143 **)
Political system	0 = centralized	1 = decentralized		b ₂ = .097	(.156)
Structure society	0 = heterogeneous	1 = homogeneous		b ₃ = .086	(.156)
Combined Political system & Structure society				b ₄ = .403	(.156 **)

Political Stability

R square = .108		F = 2.826 **	N = 98	coefficient	(Std.Err)
Intercept				= .122	(.213)
Electoral system	0 = majoritarian	1 = proportional		b ₁ = .376	(.172 **)
Political system	0 = centralized	1 = decentralized		b ₂ = -.105	(.188)
Structure society	0 = heterogeneous	1 = homogeneous		b ₃ = .012	(.188)
Combined Political system & Structure society				b ₄ = .378	(.189 **)

Government Effectiveness

R square = .175		F = 4.925 **	N = 98	coefficient	(Std. Err)
Intercept				= .332	(.228)
Electoral system	0 = majoritarian	1 = proportional		b ₁ = .320	(.185 *)
Political system	0 = centralized	1 = decentralized		b ₂ = .157	(.201)
Structure society	0 = heterogeneous	1 = homogeneous		b ₃ = .199	(.201)
Combined Political system & Structure society				b ₄ = .588	(.202 **)

Government Regulatory Quality

R square = .174		F = 4.889 **	N = 98	coefficient	(Std. Err)
Intercept				= .359	(.202)
Electoral system	0 = majoritarian	1 = proportional		b ₁ = .293	(.163 *)
Political system	0 = centralized	1 = decentralized		b ₂ = .050	(.178)
Structure society	0 = heterogeneous	1 = homogeneous		b ₃ = .175	(.178)
Combined Political system & Structure society				b ₄ = .523	(.179 **)

Rule of Law

R square = .163		F = 4.542 **	N = 98	coefficient	(Std. Err)
Intercept				= .229	(.238)
Electoral system	0 = majoritarian	1 = proportional		b ₁ = .324	(.193 *)
Political system	0 = centralized	1 = decentralized		b ₂ = .089	(.210)
Structure society	0 = heterogeneous	1 = homogeneous		b ₃ = .186	(.210)
Combined Political system & Structure society				b ₄ = .606	(.211 **)

Corruption

R square = .176		F = 4.763 **	N = 98	coefficient	(Std. Err)
Intercept				= .184	(.247)
Electoral system	0 = majoritarian	1 = proportional		b ₁ = .390	(.200 *)
Political system	0 = centralized	1 = decentralized		b ₂ = .176	(.217)
Structure society	0 = heterogeneous	1 = homogeneous		b ₃ = .219	(.217)
Combined Political system & Structure society				b ₄ = .612	(.219 **)

Figure 1 The old typology of democratic regimes (Lijphart 1968)

Figure 2 The new typology of democratic regimes (Lijphart 1999)

Figure 3 The Cube: Combining the Old and New Typologies

Endnotes

1. See for example the following studies: Crozier et al. 1975; Huntington 1981; Norris 1999a: 3-4.
2. See e.g. Fuchs and Klingemann 1998; Norris 1999a; Norris 1999b.
3. See for overviews of these studies Doorenspleet 2005; Aarts and Thomassen 2008.
4. See e.g. Lijphart 1968, 1969, 1984, 1985, 1999, 2000a, 2000b, 2001, 2002. See also work by Norris, and by Gerring and his co-authors.
5. A final example is the May 2011 referendum in the UK, in which voters were asked if they wanted to adopt the 'alternative vote' system instead of the current 'first past the post system' for electing their MPs.
6. Please note that we use different terms for the same dependent variable in this paper, including 'kinder and gentler policies', 'better government', 'better quality of democracy', 'economic and political performance', and 'performance and quality of the democratic institutions.' It is important to realize that the confusing multiplicity of different formulations of the dependent variable is Lijphart's choice, and not our choice. The intention of this article is not to review the way Lijphart defines and measures the dependent variable, and to develop new –and possibly improved– measurements. Rather, we would like to replicate his own research thoroughly by carefully following his choices, including his bundle of performance indicators (see Section 4 and Tables). In this way, we may become aware of other 'internal' weaknesses of Lijphart's ideas, and show that the dimension of federalism has been neglected.
7. Andeweg (2001: 119) introduced the distinction between 'the younger Lijphart and the older Lijphart'.
8. The figure shows that the structural setting of the electoral competition defines the dominant behavior of the political elite among each other. The contest in a system with majority rule is about being in office or not, and this rule has an effect on the electoral competition among political parties or candidates. The zero-sum setting of the election leads to adversarial elite behavior. Proportional representation, on the other hand, postpones the decision of who will be in office or not. Only after the election during the process of coalition formation is the decision made as to which of the parties will form a government. The need to form a majority with others requires the coalescent behavior of the elite. The composition of the societal, segmental cleavages determines the role of the elite on the mass level. A heterogeneous society with clear-cut cleavages will lead to the articulation, organizing and mobilization of segmental interests. In a homogeneous society with crosscutting cleavages, and overlapping memberships, articulation and mobilization must be on a higher aggregate level than purely along the lines of cleavages.
9. Please notice that Lijphart has recently published a second edition of *Patterns of Democracy*; while the first 1999 edition covered the period from 1945 to 1996, the new edition extends this to 2010. In this new 2012 edition, the empirical evidence is even clearer than in the first edition with regard to the performance of different types of democracy. With regard to both government performance and democratic quality, the first edition showed that the better results for consensus democracy were mainly the results of the executives-parties dimension of consensus democracy; the federal-unitary dimensions had only slight effects, according to Lijphart. This difference is even more striking in the evidence of the 2012 edition: the effect of the executives-parties dimension is very strong, whereas the federal-unitary dimension has basically no effect, according to Lijphart.
10. It would have been better to label such systems 'unitary systems'. What is problematic is that Gerring et al. (2005; 2008) use the terminology of the younger Lijphart (although –remarkably– they do not quote Lijphart's 1968 work), while the empirical part relies on the work of the older Lijphart (1999). This is confusing, as the concepts are now mixed up. Centripetal democracies have majoritarian electoral systems and homogeneous societies (Lijphart 1968), while unitary democracies have PR electoral systems with centralization (Lijphart 1999). Confusingly, Gerring et al. (2005; 2008) give these 'unitary democracies' the label of 'centripetal democracies'.
11. It is important to point out here that the claimed positive effects of consociationalism and consensus democracy have always been controversial. There have been constant debates in this field (Andeweg 2000) with scholars questioning the predicted positive effects of consociationalism and consensus democracy (Horowitz 1985; Reynolds 2002; Roeder and Rothchild 2005), and demonstrating that the normative typology is incongruent with the empirical typology of democratic systems (Bogaards 2000). Some scholars criticized the inclusion of particular indicators in Lijphart's measurements, for

example the incorporation of the role of the Central Bank (Anderson 2001) or corporatism (Roller 2005). Others rejected the classification of certain cases, like Ware (2000) who contends that the United States should have been labeled differently. Some scholars pointed out that Lijphart's typology is based on an analysis of established democracies, but that his findings cannot be generalized to other cases at the national level (e.g. in Africa, see Van Cranenburgh and Kopecky 2004) or subnational level (e.g. in Switzerland, see Vatter 2007; and in the 16 federal states of Germany, see Freitag and Vatter 2009). Finally, several scholars showed that incorporating additional independent variables in the empirical analyses leads to different results as well (Armingeon 2002; Doorenspleet 2005). These previous critical reviews of Lijphart's claims are mainly 'external', while the three rival claims are basically 'internal'. Hence, these studies do not criticize Lijphart's choice of the used indicators, case selection, choice and measurements of the dependent variables, such as economic and political performance, or concepts or measurements of performance. Therefore, we will not get into these discussions and, will not aim to improve the analyses on the basis of these 'external' critical comments. Instead, our analyses focus on testing the three rival claims and exploring which claim finds the most support.

12. Please note that the difference between the highest and the second highest score is very small compared to the scores of the other types of democracy. Unitary-depoliticized democracy guarantees high political stability, maintenance of the rule of law, implementation of government regulation and low corruption. Consensus-consociational democracy ensures the liberties and rights of citizens to participate in the political process and it also sustains the independence of news media that holds government authority accountable, and provides high quality public goods and services.
13. See e.g. the following studies: Lijphart 1984; 1999; 2001; 2002; Bogaards 1998; Andeweg 2000, 2001; Siaroff 2000; Powell 2000; Anderson 2001; Armingeon 2002; Tavits 2004; Roberts 2005; Roller 2005; Doorenspleet 2005; Vatter 2007; Aarts and Thomassen 2008; Keman and Pennings 2008.
14. Often scholars use the dimension of electoral system (or Executive-Parties Dimension) explicitly as a majoritarian/consensus democracy scale. Tavits, for example, uses this dimension as the basis for studying the relationship between types of democratic systems and their effects on the size of government (Tavits 2004: 348). In Tavits's study, bivariate regression analyses are also used to show that consensus democracy 'is more conducive to the growth of the public sector, whereas majoritarian democracy has more market-preserving characteristics built into its institutional structure' (Tavits 2004: 356). In fact, the dimensions of political system and societal structure are completely neglected in such analyses (cf. Aarts and Thomassen 2008; see also Anderson 2001).