

## **A theory of coalitions and clientelism: Coalition politics in Iceland, 1945–2000**

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**Abstract.** This article serves a dual purpose. First, it provides detailed information about coalition formation and termination in Iceland from 1945 to 2000 following closely the format of Wolfgang Müller and Kaare Strøm (eds), *Coalition Politics in Western Europe* (New York: Oxford University Press, 2000), which considers the other Western European democracies. The political landscape of Iceland is surveyed, as is the institutional framework that structures the formation of coalitions, coalition governance and cabinet termination while providing complete data for each cabinet. Second, the effects clientelism has on coalition politics through the inflated importance of the executive office are considered. The patterns of coalition politics in the Nordic countries are compared to offer preliminary evidence supporting the theory.

Coalition politics have received little attention in the study of Icelandic politics, with only Grímsson (1977, 1982) covering coalition formation. Coalition formation in Iceland appears more competitive than in most of Western Europe. The contrast with the Nordic countries is especially stark. This is somewhat surprising because of a tendency to emphasize the similarities of the Nordic countries, but can be explained in part by the fact that Icelandic politics are rooted in clientelism.

Clientelistic politics focuses on the delivery of particularistic benefits rather than public policies. The prevalence of clientelistic politics depends on factors such as politicians' ability to claim credit for their actions, opportunities to provide such benefits and the relative costs of alternative political strategies. Rather than attempting to explain the importance of clientelistic politics (see Kristinsson 1996, 2001), its implication for coalition politics is focused upon here. It is argued that clientelism inflates the importance of cabinet membership as it provides the means to successfully pursue clientelistic politics. This has important implications for coalition politics that are detailed below (for a comparative treatment of other countries, see Müller and Strøm 2000).

## Institutions, motivations and coalitions

Whether politicians seek to influence policy or to win office has clear implications for which parties form a coalition (see Laver & Schofield 1990). When politicians care about the benefits of office, they form minimal winning coalitions to avoid unnecessarily sharing the benefits (Riker 1962). Similarly, minority coalitions do not form because office-seeking politicians do not tolerate them. When politicians care about policy, minority coalitions become feasible as policy-related benefits are not necessarily tied to cabinet membership (Strøm 1990).

The literature on coalition politics frequently treats the two assumptions about politicians' motivations as mutually exclusive. Martin and Stevenson (2001) find support for hypotheses derived from each assumption that is consistent with politicians being motivated by both office and policy. The results are, however, also consistent with politicians in some countries being only concerned with policy and in others with office. If politicians' motivations vary systematically cross-nationally, current theories predict different patterns of coalition politics across countries.

Politicians in different countries face different incentives that stem from institutions, norms and traditions. For example, politicians' incentives to build a *personal vote* have been documented in a number of different electoral systems (e.g., Ames 1995; Cain et al. 1987). The literature on patronage politics and clientelism has frequently emphasized the roles of norms and tradition. How the presence of clientelism is rationalized is immaterial as the end result is the same: clientelism induces stronger preferences for private goods and political success depends on the ability to deliver.

A broad definition of clientelism is adopted here that does not precisely mirror any of the definitions in the literature (although similar to that of Kitschelt 2000), but it is intended to capture the strategic incentives facing politicians. Clientelism is defined as the *particularistic* allocation of state resources aimed at maximizing a political actor's probability of election. This definition encompasses equally what political scientists have traditionally called 'clientelism', 'patronage', 'brokerage politics' and 'pork-barrel politics'. It also allows political parties to act as the patron and constituencies as the client. In general terms, clientelism is defined as a pattern of political competition in which the politicians have the incentive, and the ability, to provide particularistic benefits. Control of the executive branch provides access to resources such as political appointments, the drafting of legislation and regulations, and policy implementation, which creates a powerful incentive for parties to become a part of the governing coalition. Hence, where clientelistic politics are important, the politicians' *induced preferences* resemble more

that of office-seekers than policy-seekers, and thus theories of office-seekers offer better predictions. Similarly, when political competition is not characterized by clientelism, politicians have greater freedom to pursue their policy goals.

Clientelism links the two strands of theorizing about coalition formation by conditioning our expectations on the importance of clientelism. The presence of minority coalitions has generally been explained by politicians' desires to influence policy, whereas in the office-seeking model minority coalitions are an anomaly. If clientelism has a limited role, minority coalitions can be expected to form. If clientelism is important, politicians behave as office-seekers and fewer minority coalitions are observed. Where politicians place a premium on holding office, minimal winning and disconnected coalitions should be common. Office-seeking politicians are unlikely to form surplus majority coalitions because minimal-winning coalitions avoid (unnecessarily) sharing the benefits of office, and they are unlikely to accept a minority coalition that excludes them. If policy is the main concern, the size of the coalition matters less, it contains the median party and more coalitions are ideologically connected. The median party is likely to be included in the cabinet because of its pivotal position. Policy-seeking politicians generally prefer connected coalitions because they tend to minimize the policy compromises necessary.

*Hypothesis 1:* The greater the prevalence of clientelistic politics, the higher the frequency of minimal winning coalitions and the lower the frequency of minority cabinets.

*Hypothesis 2:* The greater the prevalence of clientelistic politics, the lower the frequency of ideologically connected coalitions.

*Hypothesis 3:* The greater the prevalence of clientelistic politics, the less likely a coalition is to contain the median party.

The duration of coalition bargaining is also influenced by clientelism. If clientelism is important, the bargaining is, in part, over privileged access to the discretionary powers of the cabinet. As the stakes increase, the parties' willingness to compromise decreases. In the presence of uncertainty about its potential coalition partner's preferences, this implies a greater willingness to wait in the hope of receiving more favourable terms.

*Hypothesis 4:* The greater the prevalence of particularistic politics, the longer the duration of coalition formation bargaining.

Finally, as the importance of holding office increases, the parties are less willing to terminate a coalition over policy disagreements. In choosing whether to terminate, the parties weigh the benefits of office against the cost of

maintaining the coalition, which may involve making policy compromises. Thus, the threshold that must be crossed increases as the value of office increases.

*Hypothesis 5:* The greater the prevalence of particularistic politics, the lower the likelihood of cabinet termination over policy disagreements.

Coalition politics in the Nordic countries will be examined in the light of the above hypotheses. Clientelism is not easily measured and hardly any comparative studies of clientelism exist. There exists, however, a large number of case studies that can be used to make inferences about the importance of clientelism. Scandinavian countries are noted for the absence of clientelistic politics (Papakostas 2001), while there is strong evidence to the effect that the prevalence of clientelism has been high in Iceland (Ásgeirsson 1988; Bragadóttir 1992; Kristinsson 1996, 2001). One can therefore reasonably assume that clientelistic politics play a greater role in Iceland than in its Nordic counterparts, even though the importance of clientelism appears to have decreased considerably in Iceland in recent years. The analysis below is above all intended to highlight the differences between Iceland and its Nordic neighbours.

### **The parliamentary party system**

Parliamentary parties are the building blocks of most cabinet coalitions. The Icelandic parliamentary party system has remained fairly stable over the course of the years. Four parties – the Independence Party (IP), the Progressive Party (PP), the Social Democratic Party (SDP) and the United Socialist Party/People's Alliance (SP/PA) – have been represented in Alþingi (the Icelandic parliament) throughout the postwar period with the exception of the current legislative term. Before the 1999 election, the parties of the left (the SDP, the PA and the Women's Alliance (WA)) formed an electoral alliance – the Alliance (AL) – which became a formal party in 2000. The left arm of the PA split to form the Left Movement.

The IP, a right-wing party emphasizing economic liberty with a conservative and nationalistic strand (Grímsson 1977), has been the largest parliamentary party, holding 35 to 40 per cent of the parliamentary seats. It has the greatest cross-class appeal among the Icelandic parties, drawing support from professionals and entrepreneurs as well as the working classes. It has strong ties with both the employers' associations and the trade unions.

For most of the postwar period, the PP has been the second largest parliamentary party and is normally ranked next to the IP on the left-right scale. Its parliamentary strength has decreased from between 25 and 35 per cent to

between 17 and 24 per cent. Changes to the electoral system, which at the beginning of the period were favourable to parties that drew their electoral support from the rural areas, explain some of the change. The PP relied, and still does to a lesser extent, heavily on support in the rural areas. In recent years, the PP has de-emphasized its rural ties, and is frequently depicted as a pragmatic centre party (e.g., Kristinsson 1991).

The SDP's parliamentary strength has been in the range of 12 to 17 per cent. The party suffered from declining influence in the Trade Union Federation and in later years its appeal appears to have been greatest among the middle and upper classes (Harðarson 1995). It can be argued that the SDP became economically more liberal than the PP, and perhaps even the IP. The SDP and the PP differ most on rural-urban issues, which have become increasingly important and have surpassed foreign policy as the second most important policy dimension.

The SP/PA, at the left end of the political spectrum, normally held between 13 and 20 per cent of the parliamentary seats. The party had strong ties with the Trade Union Federation (ASÍ), but witnessed an erosion of its class-based electorate.

Table 1a lists the parties represented in Alþingi since 1945. A change of cabinet is defined as a change in the set of parties holding cabinet minister-ship or the identity of the PM, or *any* general elections. The parties are ordered on a left-right policy dimension based on Laver and Hunt (1992) and a survey of a few experts on Icelandic politics. The second column indicates whether the cabinet was formed immediately following (F) an election and whether an election signaled the end (E) of the cabinet. Cabinet party seats are in bold. The table also identifies, for the two most important policy dimensions, the median legislator's party – the second policy dimension being rural-urban issues. Table 1b details the various parties and party families.

The PP participated in 14 of the 26 cabinets and has consistently been the median party on the left-right policy dimension. One of the two centrist parties (PP or SDP) is almost always in the cabinet – in part because a coalition of the IP and the PA was unthinkable for a long time due to the parties' differences on foreign policy. The IP and the PP have taken turns being the median party on the second dimension – urban-rural issues. If foreign policy is considered the second most important issue dimension, the SDP and the PP alternate in having the median MA. Four minority cabinets formed, but only one was a serious attempt at forming a working cabinet. Cabinet majorities are modest and have generally not been super-majoritarian since 1949. The frequency of coalitions and majority cabinets in Iceland is one of the highest in Western Europe, and a definite outlier compared with the Nordic countries. However, before these differences are explored, it is necessary to outline two

Table 1a. Left-right placement, party strength and coalition composition

Cabinet	Proximity		Party													Government strength	Total seats				
	election	to	SP	LM	PA	WA	NPP	ULL	THPM	UF	SDA	SDP	AESJ	PP	LP			CP	IP	Other	Median party on second dimension
1944	E	<b>10</b>									<b>7</b>			15*			<b>20</b>	IP	3.49	37	52
1946	F	<b>10</b>									<b>9</b>			13*			<b>20</b>	IP	3.61	39	52
1947	E	10									<b>9</b>			<b>13*</b>			<b>20</b>	IP	3.61	42	52
1949	F	9									7			17*			<b>19</b>	PP/IP	3.47	19	52
1950	E	9									7			<b>17*</b>			<b>19</b>	PP/IP	3.47	36	52
1953	FE	7									6			<b>16*</b>			<b>21</b>	IP	3.44	37	52
1956	F										<b>8</b>			<b>17*</b>			19	IP	3.48	33	52
1958	E										<b>8</b>			17*			19	IP	3.48	8	52
1959	FE										<b>6</b>			19*			20	PP/IP	3.20	6	52
1959	FE										<b>9</b>			17*			<b>24</b>	IP	3.44	33	60
1963	F										<b>8</b>			19*			<b>24</b>	IP	3.32	32	60
1963	E										<b>8</b>			19*			<b>24</b>	IP	3.32	32	60
1967	F										<b>9</b>			18*			<b>23</b>	IP	3.48	32	60
1970	E										<b>9</b>			18*			<b>23</b>	IP	3.48	32	60
1971	FE										<b>10</b>			<b>17*</b>			22	PP	3.85	32	60
1974	FE										5			<b>17*</b>			<b>25</b>	PP/IP	3.38	42	60
1978	F										<b>14</b>			<b>12*</b>			20	IP	3.85	40	60
1979	E										<b>14</b>			12*			20	IP	3.85	14	60
1980	FE										<b>11</b>			<b>17*</b>			<b>21</b> <sup>1</sup>	IP	3.78	49 <sup>1</sup>	60
1983	FE										4			<b>14*</b>			<b>23</b>	PP	4.06	37	60
1987	F										<b>10</b>			<b>13*</b>			<b>18</b>	PP	5.34	41	63
1988											<b>8</b>			<b>13*</b>			<b>7</b>	PP	5.34	32	63
1989	E										<b>8</b>			<b>13*</b>			<b>7</b>	PP	5.34	38	63
1991	FE										<b>10</b>			13*			<b>26</b>	IP	3.78	36	63
1995	FE										7			<b>15*</b>			<b>25</b>	IP	4.01	40	63
1999	FE													<b>11*</b>	2		<b>26</b>	IP	4.98	37	63

Note: See Table 1b for party names. \*Denotes median party on first dimension. Bold numbers denote government participation. Sources: *Morgunblaðið* (1945–2000, various issues), *Pjóðviljinn* (1945–2000, various issues), Grímsson (1977), Gíslason (1993), Jónsson (1969), Eggertsson (1999), Alþingi website (www.althingi.is).  
<sup>1</sup> The IP did not join the government as a whole but its deputy chairman formed it.

Table 1b. Parties and party families

		Founded, 'dead' and other comments	Family
SP	<i>Sameiningarflokkur alþ ýðu – sósíalístaflókkur</i> (United Socialist Party)	Joined the electoral alliance PA in 1956, which then evolved into a party.	1
LM	<i>Vinstri hreyfingin</i> (Left Movement)	Founded before elections 1999 – mostly the left wing of the PA that did not join the UF.	2
PA	<i>Alþýðubandalag</i> (People's Alliance)	Initially an alliance of the SP and a few members of the SDP (1956).	2
WA	<i>Kvennaflokkur</i> (Women's Party)	Joined the electoral alliance UF in 1999.	12
NPP	<i>Þjóðvarnarflokkurinn</i> (National Preservation Party)	Dead.	12
ULL	<i>Samtök frjálslyndra og vinstri manna</i> (Union of Liberals and Leftists)	Splinter (PA). Dead.	2
THPM	<i>Þjóðvaki – Fylking fólksins</i> (Thjodvaki – People's Movement)	Splinter (SDP). Dead.	3
UF	<i>Samfylkingin</i> (United Front)	Electoral alliance (SDP, PA and WA) – now a party.	3
SDA	<i>Bandalag jafnaðarmanna</i> (Social Democratic Alliance)	Splinter of the SDP. Dead.	3
SDP	<i>Alþýðuflokkur</i> (Social Democratic Party)	Joined the electoral alliance UF in 1999.	3
AESJ	<i>Samtök um jafnrétti og félagshyggju</i> (Association for Equality and Social Justice)	Dead.	6
PP	<i>Framsóknarflokkur</i> (Progressive Party)		5
LP	<i>Frjálslyndi flokkur</i> (Liberal Party)	Splinter (IP).	7
CP	<i>Borgaraflokkur</i> (Citizens' Party)	Splinter (IP). Dead.	9
IP	<i>Sjálfstæðisflokkur</i> (Independence Party)		9
	<b>Party Family</b>		
	1. Communist	7. Liberal	
	2. Left-Socialist	9. Conservative	
	3. Social Democratic	10. Right-wing	
	5. Agrarian	12. Special Interest and Others	
	6. Regional, Separatist or Ethnonationalist		

institutional structures with a direct influence on coalition politics: the electoral system and parliamentary procedures.

## **Institutional background**

### *The electoral system*

In 1945, 33 of the 52 members of Alþingi (MA) were elected in single or two-member districts. A total of eight members were elected from Reykjavík by proportional representation, and 11 were distributed among the parliamentary parties to increase proportionality. Dissatisfaction with the electoral system intensified as the urban areas became increasingly under-represented to the benefit of the PP. In 1958, the SDP formed a minority government with the IP guarding it against a vote of no confidence relying on the PA's support to adopt a new electoral law. The number of MAs rose to 60, of which 49 were elected in eight districts. The remaining MAs were allotted on the basis of parties' vote shares in the country as a whole.

In 1984, the district magnitudes were changed to reflect population changes, but fell short of creating equal regional representation (e.g., in 1999, the seat-voter ratio was about four times higher in the district Vestfirðir than in Reykjavík). The number of MAs was increased to 63. Some eight districts accounted for 54 seats, another eight were allotted to the districts based on the number of registered voters before each election to increase the proportionality of regional representation, and the final seat was allotted to increase proportionality. The system aimed at achieving proportional party representation in the legislature while retaining regional misrepresentation. One-quarter of the seats within each district were designated as supplementary seats and allocated to the parties in proportion to their support in the country as a whole. A vote taken in a 'joint' session determined which MAs sat in the upper chamber. Whether the adoption of a unicameral legislature in 1991 was inconsequential – the chambers differed neither in composition nor role – is an open question. Finally, in 2000 an upper limit on regional disparity (2:1) was established and the number of districts reduced to six.

### *Parliamentary procedures*

Two factors provide political parties with incentives to conclude coalition bargaining quickly. First, while Alþingi was bicameral, the bicameral support of a potential coalition could depend on the selection of the upper chamber. Second, the Speaker of Alþingi is elected at the beginning of the parliamen-



tary session. The Speaker's primary role is to coordinate the work of the parliament and its standing committees. The Speaker has some control over the agenda – he can, for example, remove issues from the parliamentary schedule. The Speaker decides how long MAs are allowed to speak on certain matters and whether an MA can ask a minister a question. The work of the Speaker has remained largely uncontroversial. On rare occasions, it has proven convenient for the cabinet to have the Speaker on its side – as when Prime Minister Jóhannesson dissolved Alþingi in 1974 before the opposition got a chance to offer a vote of no confidence. The Speaker is elected by a majority run-off, but the six deputy speakers and the members of the 12 standing committees are elected proportionally by the d'Hondt rule. The jurisdictions of the 12 standing committees correspond roughly to the ministerial portfolios. A legislative bill is referred to a committee after its first reading, and can be referred back to the committee after its second and third reading if amended. The committees frequently introduce legislative bills on the behalf of cabinet ministers.

The committees elect a chairman and a deputy chairman. This procedure guarantees a majority coalition the committee leadership. The opposition held committee chairmanships between 1993 and 1999, but the coalition retained a majority on each committee. The influence of the parliamentary committees derives mainly from their ability to specialize. The committee must rely on its power of persuasion or the government's majority to influence legislation. As majority coalitions are the norm, the committees cannot be considered an important channel of oppositional influence. First, the extent of oppositional influence on policy making can be no greater than the committee's ability to influence policy, but this ability is limited as bills are amended under open rule on the floor. Second, the opposition is in a minority on the committees. Finally, committee members regularly report to, and consult with, their parties to ensure a bill's passage.

Much of the work of the legislature centres on the parliamentary parties. Historically, the division between legislative and executive powers is unclear. When Iceland attained legislative power in 1874, the executive power remained in Denmark. Partly out of need and partly because it could, the legislature usurped some of the executive's tasks. The development of clientelistic politics owes much to this role of the legislature. The parliamentary parties have always had a strong position *vis-à-vis* the cabinet. While the cabinet's power has grown with the size of government and increased specialization within the ministries, its power has been moderated by the advent of primaries in the 1970s and diminished party cohesion (Kristjánsson 1994, 1998). Policy making is best viewed as simultaneous bargaining between the parties in the cabinet, and between the coalition parties in the cabinet and their parliamen-

tary parties because of the strength of the parliamentary parties, and the fact that party leaders formally have little to say about the MAs' chance of re-election. The strength of the parliamentary parties is not a substitute for cabinet membership as their ability to engage in clientelistic politics depends on representation in the cabinet. The cabinet must retain the confidence of legislature. No investiture vote is required in the *Alþingi*. Hence, the legislature operates under 'negative parliamentarism', which is conducive to the formation of minority cabinets (Bergman 1995). The Prime Minister can dissolve *Alþingi* and call an election.

### **Coalition formation**

Various institutions, such as investiture votes and rules of recognition, have implications for the coalition formation process. The president of Iceland is the informateur. While his constitutional powers are greater than that of an informateur (he appoints the cabinet ministers and decides the number of ministries), his role has traditionally been more limited. Normally the formateur is appointed according to established norms that favour the larger parties. If the coalition formation process drags on, the president uses discretion to a greater extent.

The president meets with each party leader before appointing a formateur. Once appointed, the formateur meets individually with the other party leaders for general discussions. Subsequently, the formateur invites one or more parties to formal negotiations. Grímsson (1977) argues that first a policy agreement is negotiated, which is then followed by the distribution of portfolios. The implementation of policy agreements cannot, however, be considered independent of the distribution of portfolios (Laver & Shepsle 1996). Ministers can have considerable independence if the Prime Minister does not hold the reins tightly. In bargaining over policy, the actors have expectations about the distribution of portfolios and its importance for policy implementation. The PA, for example, prevented its exclusion from coalition bargaining by not laying claim to the Ministry of Foreign Affairs, which was unthinkable because of their opposition to the American airbase in Keflavík (Grímsson 1977). In Pálsson's 1987 cabinet, the portfolios were consciously distributed in a manner such that each party held a portfolio in each of the following four groups of ministries: economic ministries, social policy ministries, procedural ministries and other ministries (Hannibalsson 1999).

Finally, each of the coalition parties' parliamentary parties, or the parties' central committees, ratifies the coalition agreement, usually by a majority vote. Grímsson (1977) argues that the acceptance of the party is largely a formal-

Table 2. Cabinet formation

Cabinet	Number of parliamentary parties	Previous formation rounds	Participants in each round	Bargaining duration
IP-SP-SDP 1944	4	2	(1) IP-SDP-PP-SP <sup>1</sup> (2) <b>IP-PP</b>	36
IP-SP-SDP 1946	4	0		1
SDP-PP-IP 1947	4	4	(1) IP-SDP-SP (2) IP-SDP-PP-SP (3) PP-SP-SDP (4) <b>IP-SDP-SP</b>	117
IP 1949	4	3	(1) <b>PP-SDP</b> (2) <b>PP-SDP-IP</b> (2) <b>IP-SDP-PP</b> <sup>2</sup>	44
PP-IP 1950	4	3	(1) <b>PP-IP</b> (2) <b>Vilhjálmur Þór</b> (3) <b>Þór</b> – non-parliamentary <sup>3</sup>	13
IP-PP 1953	5	0		76
PP-PA-SP 1956	4	0		31
SDP 1958	4	1	(1) <b>IP-SDP/PA/PP</b> (2) <b>SDP-IP/PP/PA</b> <sup>4</sup>	20
SDP 1959	4	0		1
IP-SDP 1959	4	0		26
IP-SDP 1963	4	0		1
IP-SDP 1963	4	0		1
IP-SDP 1967	4	0		1
IP-SDP 1970	4	0		1
PP-PA-UULL 1971	5	0		32
IP-PP 1974	5	2	(1) <b>IP-SDP-PP</b> (2) <b>PP-SDP-PA-UULL</b>	3

Table 2. Continued.

Cabinet	Number of parliamentary parties	Previous formation rounds	Participants in each round	Bargaining duration
PP-PA-SDP 1978	4	6	(1) SDP-PA-(?) (2) SDP-IP-PA (3) SDP-PP-PA (4) IP-SDP-PP-PA (5) IP-SDP-PP (6) PA-PP-SDP	69
SDP 1979	4	0		4
IP-PA-PP 1980	4	5	(1) PP-PA-SDP (2) IP-PA-SDP-PP (3) PA-PP-SDP (4) SDP-IP-PP (5) SDP-IP-PP	68
PP-IP 1983	6	6	(1) IP-PP-SDP (2) IP-PP (3) PP-IP (4) PA-PP-SDP-WA-SDA (5) IP-SDP-SDA (6) PP-IP-SDP <sup>5</sup>	34
IP-SDP-PP 1987	7	5	(1) PP-? (2) IP-SDP-WA (3) SDP-PA-WA (4) PP-CP <sup>6</sup> (5) SDP-IP-PP	75
PP-PA-SDP 1988	7	3	(1) PP-SDP-PA (2) PP-SDP-PA-CP (3) IP-?	12
PP-PA-SDP-CP 1989	7	0		1
IP-SDP 1991	5	0		11
IP-PP 1995	6	1	(1) IP-SDP	16
IP-PP 1999	5	0		1

Notes: <sup>1</sup>The president asked each party to appoint three members to the 'Committee of Twelve'; <sup>2</sup>No information is available about which parties the PP approached. The bargaining duration may not reflect the actual length of the bargaining since Thors' illness delayed the formation for about a week. <sup>3</sup>The president initially asked Þór, member of the 1942 non-parliamentary cabinet, to form a 'semi-partisan' cabinet. <sup>4</sup>In both cases, the formateur had informal or preliminary discussions with the leaders of the other parties. <sup>5</sup>Rounds (5) and (6) took place while Gestsson (PA) was the formateur. <sup>6</sup>With a PP-CP-IP coalition in mind.

ity. It may, however, be that differences are simply settled, or anticipated, before a formal vote is taken.

Table 2 provides information about the participants in each bargaining round, the formateur's party and bargaining duration. The focus here is on 'serious' bargaining rounds (i.e., the official bargaining between parties that considered a coalition possible). The formal exploratory meetings that take place at the beginning of the formation process are not counted unless there is evidence that serious bargaining took place.

Table 3 lists the dates of election, formation, resignation, cabinet leaving office and next scheduled election as well as maximum and actual cabinet duration. Government coalitions lasting longer than one electoral term are rare. Only three government coalitions have survived an election with their majority, and willingness to cooperate, intact.

Table 4 compares the Nordic countries on various aspects of coalition politics (calculations are based on Müller & Strøm 2000). For comparison, information for Western Europe is also displayed. Since Western Europe is comprised of both clientelistic and non-clientelistic countries, the expectation is that the Western European average will lie in-between that of Iceland and the Nordic average.

The hypotheses about the coalitions' ideological characteristics are supported by the data. Iceland has the lowest frequency of ideologically connected coalitions (46.2 per cent) by far, with Finland coming second (79.5 per cent). Only 53.8 per cent of Icelandic cabinets include the median party, which is somewhat lower, but insignificantly so, than in the other Nordic countries (between 73 and 81 per cent) with the exception of Denmark (41.9 per cent). The prevalence of minority cabinets and the fact that the median parties of the Folketing have generally been two smaller parties – *Det Radikale Venstre* and *Centrum-Demokraterne* – explains the low frequency in Denmark. However, the comparison is misleading because minority coalitions tend to include fewer parties and are consequently less likely to include the median party. Controlling for the majority status of the coalition, Icelandic coalitions are indeed significantly less likely to include the median party. Using a logit model with the inclusion of the median party as the dependent variable to test the hypotheses, the estimated coefficients (s.e.) were: constant = 0.091 (0.229), majority status = 1.868 (0.460) and a dummy variable for Iceland = -1.116 (0.553).

The hypotheses concerning cabinet size find even stronger support. Iceland's frequency of minority cabinets is the lowest among the Nordic countries. A total of four (15.4 per cent) – three of them caretaker – minority cabinets have formed. A low frequency of majority cabinets makes inferences about the frequency of minimal-winning coalitions difficult. Majority cabinets

Table 3. Cabinets

Prime Minister	Previous election	Last date for next scheduled election	Formation	Formal resignation	Cabinet leaves office	Maximum potential duration	Duration	Coalition
Thors II	19.10.42	19.10.46	21.10.44		30.06.46	729	598	IP-SP-SDP
Thors III	30.06.46	30.06.50	30.06.46	10.10.46	04.02.47	1461	102	IP-SP-SDP
Stefánsson	30.06.46	30.06.50	04.02.47	02.10.49	06.12.49	1244	974	SDP-PP-IP
Thors IV	24.10.49	24.10.53	06.12.49	02.03.50	14.03.50	1333	86	IP
Steinþórsson	24.10.49	24.10.53	14.03.50	11.09.53	11.09.53	1321	1278	PP-IP
Thors V	28.06.53	28.06.57	11.09.53	27.03.56	24.07.56	1387	929	IP-PP
Jónasson III	24.06.56	24.06.60	24.07.56	04.12.58	23.12.58	1432	864	PP-PA-SP
Jónsson I	24.06.56	24.06.60	23.12.58		28.06.59	550	188	SDP
Jónsson II	28.06.59	28.06.63	28.06.59	19.11.59	20.11.59	1461	145	SDP
Thors VI	25.10.59	25.10.63	20.11.59		09.06.63	1437	1437	IP-SDP
Thors VII	09.06.63	09.06.67	09.06.63	14.11.63	14.11.63	1461	158	IP-SDP
Benediktsson I	09.06.63	09.06.67	14.11.63		11.06.67	1303	1303	IP-SDP
Benediktsson II	11.06.67	11.06.71	11.06.67	10.07.70	10.07.70	1462	1125	IP-SDP
Hafstein	11.06.67	11.06.71	10.07.70*	15.06.71	14.07.71	337	337	IP-SDP
Jóhannesson I	13.06.71	13.06.75	14.07.71	02.07.74	28.08.74	1431	1085	PP-PA-ULL
Hallgrímsson	30.06.74	30.06.78	28.08.74	27.06.78	01.09.78	1403	1400	IP-PP
Jóhannesson II	25.06.78	25.06.82	01.09.78	12.10.79	15.10.79	1394	407	PP-PA-SDP
Gröndal	25.06.78	25.06.82	15.10.79	04.12.79	08.02.80	985	51	SDP
Thoroddsen	03.12.79	03.12.83	08.02.80	28.04.83	26.05.83	1395	1176	IP-PA-PP
Hermannsson I	23.04.83	23.04.87	26.05.83	28.04.87	08.07.87	1429	1429	PP-IP
Pálsson	25.04.87	25.04.91	08.07.87	17.09.88	28.09.88	1388	438	IP-SDP-PP
Hermannsson II	25.04.87	25.04.91	28.09.88		10.09.89	940	348	PP-PA-SDP
Hermannsson III	25.04.87	25.04.91	10.09.89	23.04.91	30.04.91	593	591	PP-PA-SDP-CP
Oddsoson I	20.04.91	15.04.95	30.04.91	18.04.95	23.04.95	1447	1447	IP-SDP
Oddsoson II	08.04.95	08.05.99	23.04.95		28.05.99	1497	1497	IP-PP
Oddsoson III	08.05.99		28.05.99					IP-PP

Note: \* Hafstein became the Prime Minister when Benediktsson died on 10 July 1970.

Table 4. Size and ideology in a comparative perspective

	Iceland	Nordic countries	Western Europe
Coalition governments	84.60%	54.20% (0.237)***	62.50% (0.112)**
Majority coalitions	84.60%	38.30% (0.355)***	64.10% (0.105)**
Minimal-winning coalitions	65.40%	20.50% (0.375)***	40.50% (0.121)**
Ideologically connected coalitions	36.40%	64.60% (0.248)**	n/a
Median party in coalitions	53.80%	69.20% (0.124)	78.70% (0.145)***
Average duration of bargaining (days)	26.70	13.28 (2.962)***	22.36 (0.754)
Average number of bargaining rounds	2.58	1.62 (3.341)***	1.57 (4.143)***
Average government duration (days)	769.10	602.10 (1.815)*	657.30 (1.125)
Relative government duration	63.20%	63.60% (0.043)	58.80% (0.634)

Notes: Tests of significance ( $\phi$ ) and ( $t$ ) refer to difference from Iceland. \*\*\* -99%; \*\* -95%; \* -90%.

in Denmark, Norway and Sweden have always been minimal-winning. In Finland, on the other hand, 73.1 per cent of all majority cabinets were oversized. The corresponding figure for Iceland is only 18.2 per cent, which includes the three 1944 to 1947 wartime coalitions.

In line with theoretical expectations, coalition formation takes twice as long ( $p < 0.01$ ) in Iceland and requires an additional round of bargaining ( $p < 0.01$ ). The theoretical expectations regarding cabinet duration were inconclusive. The average duration of an Icelandic cabinet is 769 days. The average cabinet duration in the Nordic countries is over 160 days shorter, but much of that difference is due to the short average duration of Finnish coalitions (398 days). Comparing the cabinets' duration with their maximum possible duration, Icelandic cabinets last on average as long as the Nordic cabinets, or 63 per cent of their maximum possible duration. Finally, it may be of interest to consider only cabinets that form immediately after elections and face close to a full legislative term. Restricting our attention to these cabinets, the average duration is 989 days or 71.5 per cent of maximum duration. Overall, the duration of Icelandic cabinets is similar to the other Nordic countries, with the exception of Finland.

## Coalition governance

All coalitions are not equally vulnerable to exogenous shock, economic or otherwise. Coalitions usually terminate because of an internal disagreement (some coalitions call an early election to take advantage of favourable conditions). A coalition's cohesion is influenced by two factors. The first is the coalition parties' ability to discipline their members. The second is conflict management mechanisms such as committees and coalition agreements (Müller & Strøm 2000). Coalition agreements are promises of future actions that, by their nature, can be broken. Thus, the process of forming a cabinet coalition requires making credibility commitments. Parties can commit to certain policies through the allocation of portfolios and other non-cabinet positions to parties, or by adopting certain decision-making mechanisms. Public coalition agreements have been made since 1971. (A full list of the Prime Minister's policy statement in Alþingi following the appointment of a new cabinet when explicit coalition agreements do not exist is available from the author.)

Coalition agreements have never included an *election rule* – an agreement that an election will be called if the coalition breaks down. However, coalition parties have usually settled on a *negative election rule* that requires the consent of all coalition partners in order to call an election though it is not normally explicitly stated. Formally, the inner cabinet manages conflict within the coalition. Occasionally sub-committees, sometimes including a few outsiders, have been formed to deal with specific issues. Several factors contribute to the ineffectiveness of the inner cabinet as a conflict management mechanism. First, the cabinet does not operate under the principle of collective ministerial responsibility. Although unanimity rule is the general decision-making rule within the cabinet (Grímsson 1977), cabinet ministers have on occasions voted against government bills. Second, the defeat of a government bill is not necessarily construed as a loss of confidence. Third, the formal role of the inner cabinet, or the State Council, is not explicitly stated in Icelandic law; it is therefore up to the Prime Minister to take the initiative in coordinating the cabinet. The degree to which Prime Ministers have pursued this role has varied greatly.

Although public coalition agreements never explicitly require coalition parties to agree to coalition discipline in legislative votes or in other parliamentary behaviour there are expectations that the parties deliver support for government bills. The importance of the parliamentary parties should not be underestimated. The relationship between the cabinet ministers and their parliamentary parties can be characterized as a principal-agent relationship where



Table 5. Size and content of coalition agreements

Cabinet	Size	General procedural rules (in %)	Specific procedural rules (in %)	Distribution of offices (in %)	Distribution of competences (in %)	Policies (in %)
IP-SP-SDP 1944	1,145		2			98.0
IP-SP-SDP 1946	950		2			98.0
SDP-PP-IP 1947	277 <sup>1</sup>					100.0
IP 1949	600		3			97.0
PP-IP 1950	571		6			94.0
IP-PP 1953	697		4			96.0
PP-PA-SP 1956	482					100.0
SDP 1958						
SDP 1959						
IP-SDP 1959	319 <sup>2</sup>					100.0
IP-SDP 1963						
IP-SDP II 1963						
IP-SDP 1967	2,200					100.0
IP-SDP 1970						
PP-PA-ULL 1971	2,300					100.0
IP-PP 1974	942					100.0
PP-PA-SDP 1978	1,750		2			98.0
SDP 1979						
IP-PA-PP 1980	2,750		1			99.0
PP-IP 1983	1,700					100.0
IP-SDP-PP 1987	4,900					100.0
PP-PA-SDP 1988	3,850					100.0
PP-PA-SDP-CP 1989	2,700			1 <sup>3</sup>		99.0
IP-SDP 1991	750 <sup>4</sup>					98.9
IP-PP 1995	1,800					100.0
IP-PP 1999	2,100		1	3		96.0

Notes: <sup>1</sup>The Prime Minister's speech after the cabinet was formed; <sup>2</sup>About two months later, the cabinet published a 14,500-word programme; <sup>3</sup>The coalition agreement stated that a Ministry of the Environment should be formed. The new member of the cabinet, the CP, was given the Ministry once established. <sup>4</sup>A little later, the coalition published a 13,500-word statement. About 0.5% addressed specific procedural rules and 1% distribution of offices.

Table 6a. Distribution of cabinet ministries

Cabinet	1 Prime Minister	2 Finance	3 Foreign	4 Industry	5 Commerce	6 Fisheries	7 Social Affairs	8 Education
Thors II	IP <sub>1</sub>	IP <sub>2</sub>	IP <sub>1</sub>	SDP <sub>1</sub>	IP <sub>2</sub>	SP <sub>1</sub>	SDP <sub>2</sub>	SP
Thors III	IP <sub>1</sub>	IP <sub>2</sub>	IP <sub>1</sub>	SDP <sub>1</sub>	IP <sub>2</sub>	SP <sub>1</sub>	SDP <sub>2</sub>	SP
Stefánsson	SDP <sub>1</sub>	IP <sub>2</sub>	IP <sub>1</sub>	SDP <sub>2</sub>	SDP <sub>2</sub>	IP <sub>2</sub>	SDP <sub>1</sub>	PP <sub>1</sub>
Thors IV	IP <sub>1</sub>	IP <sub>3</sub>	IP <sub>2</sub>	IP <sub>4</sub>	IP <sub>3</sub>	IP <sub>4</sub>	IP <sub>1</sub>	IP <sub>2</sub>
Steinþórsson	PP <sub>1</sub>	PP	IP <sub>1</sub>	IP <sub>2</sub>	IP <sub>3</sub>	IP <sub>2</sub>	PP <sub>1</sub>	IP <sub>2</sub>
Thors V	IP <sub>1</sub>	PP	PP <sub>1</sub>	IP <sub>3</sub>	IP <sub>3</sub>	IP <sub>1</sub>	PP <sub>2</sub>	IP <sub>2</sub>
Jónasson III	PP <sub>1</sub>	PP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>2</sub>	PA <sub>1</sub>	PA <sub>1</sub>	PA <sup>2</sup>	SDP <sub>2</sub>
Jónsson I	SDP <sub>1</sub>	SDP <sub>2</sub>	SDP <sub>2</sub>	SDP <sub>4</sub>	SDP <sub>1</sub>	SDP <sub>1</sub>	SDP <sub>3</sub>	SDP <sub>4</sub>
Jónsson II	SDP <sub>1</sub>	SDP <sub>2</sub>	SDP <sub>2</sub>	SDP <sub>4</sub>	SDP <sub>4</sub>	SDP <sub>1</sub>	SDP <sub>3</sub>	SDP <sub>4</sub>
Thors VI	IP	IP	SDP	IP <sub>1</sub>	SDP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>1</sub>	SDP <sub>2</sub>
Thors VII	IP	IP	SDP	IP <sub>1</sub>	SDP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>1</sub>	SDP <sub>2</sub>
Benediktsson I	IP	IP	SDP	IP <sub>2</sub>	SDP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>1</sub>	SDP <sub>2</sub>
Benediktsson II	IP	IP	SDP	IP <sub>2</sub>	SDP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>1</sub>	SDP <sub>2</sub>
Hafstein	IP <sub>1</sub>	IP <sub>3</sub>	SDP <sub>1</sub>	IP <sub>1</sub>	SDP <sub>3</sub>	SDP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>3</sub>
Jóhannesson I	PP <sub>1</sub>	PP <sub>2</sub>	PP	PA <sub>2</sub>	PA <sub>1</sub>	PA <sub>1</sub>	ULL <sub>1</sub>	ULL <sub>2</sub>
Hallgrímsson	IP <sub>3</sub>	IP	P	IP <sub>1</sub>	PP <sub>2</sub>	IP <sub>2</sub>	IP <sub>1</sub>	PP
Jóhannesson II	PP <sub>2</sub>	PP	SDP	PA	PA	SDP	SDP <sub>1</sub>	PA <sub>1</sub>
Gröndal	SDP <sub>1</sub>	SDP <sub>6</sub>	SDP <sub>1</sub>	SDP <sub>2</sub>	SDP <sub>3</sub>	SDP <sub>3</sub>	SDP <sub>4</sub>	SDP <sub>5</sub>
Thoroddsen	IP <sub>1</sub>	PA	PP	PA	PP	PP <sub>1</sub>	PA <sub>1</sub>	PP
Hermannsson I <sup>4</sup>	PP	IP	IP	IP	IP <sub>2</sub>	PP	PP	IP
Pálsson	IP	SDP	PP	IP	SDP <sub>1</sub>	PP	SDP	IP
Hermannsson II	PP <sub>2</sub>	PA	SDP	SDP <sub>1</sub>	SDP <sub>1</sub>	PP <sub>1</sub>	SDP	PA
Hermannsson III <sup>5</sup>	PP <sub>1</sub>	PA	SDP	SDP <sub>1</sub>	SDP <sub>1</sub>	PP	SDP	PA
Oddsson I	IP <sub>3</sub>	IP	SDP	SDP <sub>1</sub>	SDP <sub>1</sub>	IP <sub>1</sub>	SDP	IP
Oddsson II	IP <sub>2</sub>	IP	PP	PP <sub>2</sub>	PP <sub>2</sub>	IP <sub>1</sub>	PP	IP
Oddsson III	IP <sub>1</sub>	IP	PP	PP <sub>1</sub>	PP <sub>1</sub>	IP	PP	IP

Notes: Subscripts indicate that a minister held more than one portfolio. For example, in Oddsson's first cabinet, both the IP and the SDP had five ministers. <sup>1</sup> Also Ground Transportation; <sup>2</sup> Also Price Controls; <sup>3</sup> Indicates that the Minister only held the portfolio of Social Security; <sup>4</sup> Statistics later moved over to the Minister of Finance; <sup>5</sup> The Ministry of the Environment was created on 23 February 1990. In the first five and half months of the cabinet, and until the Ministry's creation, a member of the Citizens' Party acted as the Minister of the Institute of Statistics. After the Ministry's creation, the Institute of Statistics became a part of the Prime Minister's portfolio.

the parliamentary party is the principal. In some cases (e.g., the IP), the parliamentary party formally picks the party's cabinet ministers. The apparent coalition discipline may thus reflect a constraint on the cabinet rather than an ability to whip the parliamentary party into line. As a defeated government bill does not signal a loss of confidence, the cabinet cannot credibly threaten termination to discipline their MAs, which Huber (1996) shows benefits the cabinet. The parties do not have the resources to discipline individual MAs or, at the very least, have not been willing use them. However, the ministers wield considerable proposal and agenda powers. Thus, it is difficult to disentangle the relative power of the parliamentary party.

9	10	11	12	13	14	15	16	17
Environment	Agriculture	Health and Social Security	Justice	Ecclesiastical Affairs	Communications	Statistics	Aviation	Energy
	IP <sub>2</sub>		SDP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>1</sub>		SP <sub>1</sub>	
	IP <sub>2</sub>		SDP <sub>2</sub>	SDP <sub>1</sub>	SDP <sub>1</sub>		SP <sub>1</sub>	
	PP <sub>2</sub>	PP <sub>1</sub>	IP <sub>1</sub>	PP <sub>1</sub>	SDP <sub>2</sub>		PP <sub>1</sub>	PP <sub>2</sub>
	IP <sub>5</sub>	IP <sub>4</sub>	IP <sub>2</sub>		IP <sub>4</sub>		IP <sub>3</sub>	IP <sub>5</sub>
	PP <sub>2</sub>		IP <sub>1</sub>	PP <sub>2</sub>	PP <sub>2</sub>		IP <sub>2</sub>	PP <sub>2</sub>
	PP <sub>2</sub>	IP <sub>3</sub>	IP <sub>2</sub>	PP <sub>2</sub>	PP <sub>1</sub>		IP <sub>3</sub>	PP <sub>2</sub>
	PP <sub>1</sub>	SDP <sub>1(S)</sub> <sup>3</sup>	PP <sub>1</sub>		PP <sub>2</sub>			PP <sub>1</sub>
	SDP <sub>3</sub>		SDP <sub>3</sub>		SDP <sub>1</sub>			SDP <sub>1</sub>
	SDP <sub>3</sub>		SDP <sub>3</sub>		SDP <sub>1</sub>			SDP <sub>1</sub>
	IP <sub>2</sub>	IP <sub>1(H)</sub>	IP <sub>1</sub>		IP <sub>2</sub>			IP <sub>2</sub>
	IP <sub>2</sub>	IP <sub>1(H)</sub>	IP <sub>1</sub>		IP <sub>2</sub>			IP <sub>2</sub>
	IP <sub>1</sub>	IP <sub>2</sub>	IP <sub>2</sub>		IP <sub>1</sub>	IP <sub>2</sub>		
	IP <sub>1</sub>	IP <sub>2</sub>	IP <sub>2</sub>		IP <sub>1</sub>	IP <sub>2</sub>		
	IP <sub>2</sub>	SDP <sub>2</sub>	IP		IP <sub>2</sub>	IP <sub>3</sub>		
	PP <sub>2</sub>	PA <sub>2</sub>	PP <sub>1</sub>		ULL <sub>1</sub>	ULL <sub>2</sub>		
	PP <sub>1</sub>	IP <sub>2</sub>	PP <sub>2</sub>		PP <sub>1</sub>	IP <sub>3</sub>		
	PP <sub>1</sub>	SDP <sub>1</sub>	PP <sub>1</sub>		PA <sub>1</sub>	PP <sub>2</sub>		
	SDP <sub>2</sub>	SDP <sub>4</sub>	SDP <sub>3</sub>		SDP <sub>3</sub>	SDP <sub>6</sub>		
	IP?	PA <sub>1</sub>	IP		PP <sub>1</sub>	IP <sub>1</sub>		
	PP <sub>1</sub>	IP <sub>1</sub>	PP <sub>1</sub>		IP <sub>1</sub>	IP <sub>2</sub>		
	PP	PP	SDP <sub>1</sub>		IP	SDP <sub>1</sub>		
	PA <sub>1</sub>	PP	PP <sub>1</sub>	PP <sub>1</sub>	PA <sub>1</sub>	PP <sub>2</sub>		
CP	PA <sub>1</sub>	PP	CP	CP	PA <sub>1</sub>	CP/PP <sub>1</sub>		
SDP	IP <sub>2</sub>	SDP	IP <sub>1</sub>	IP <sub>1</sub>	IP <sub>2</sub>	IP <sub>3</sub>		
PP <sub>1</sub>	PP <sub>1</sub>	PP	IP <sub>1</sub>	IP <sub>1</sub>	IP	IP <sub>2</sub>		
PP	PP	PP	IP	IP	IP	IP <sub>1</sub>		

In the early days, the MAs relied on the party organization in their district for re-election. In the 1970s, as the parties began adopting primaries, the party leadership's grip on the MAs loosened even more. For example, the defecting IP members of Thoroddsen's 1980 cabinet fared well in subsequent IP primaries (Kristjánsson 1994). Defectors have also done well by forming new parties or by running as independents.

Parties select their ministers, though their identity has occasionally become a bargaining issue. There is little evidence that the allocation of non-cabinet positions enters into coalition bargaining. There are, however, well-established norms that guide the appointment to many major positions such as ambassadorships, which do not appear to discriminate on the basis of party affiliation.

Ministers appoint the members of numerous committees and, as they open up, positions in the bureaucracy (Grímsson 1977). Alþingi also appoints the

members of many boards and councils, which may be a part of the coalition bargaining. Every coalition has made some sort of a policy agreement (see Kristjánsson 1994; Kristinnsson 1996, 2001). The coalition agreements have become longer and address more issues, but are not necessarily more specific. Table 5 breaks the coalition agreements down into procedural rules, distribution of offices and policy. The agreements consist almost exclusively of policy-making goals. The remainder is mostly devoted to procedural rules – most common are the negative election rule and the cabinet's jurisdiction in certain matters.

It can be hypothesized that in the presence of clientelism, coalition agreements will avoid restricting politicians' ability to serve their clients. This is consistent with the freedom in appointment of non-cabinet positions, the use of the inner cabinet as a primary solution mechanism, the general vagueness of policy agreements, little emphasis on procedural rules, and the use of the negative election rule. The allocation of cabinet portfolios grants the political parties considerable powers over policy implementation and agenda-setting within its jurisdiction. Tables 6a and 6b show the allocation of ministerial portfolios. In Table 6a, subscripts are used indicate portfolios held by the same minister.

In line with Budge and Keman (1990), policy-based allocation of portfolios is the general rule – even though it may impede the cabinet's ability to follow its more general policy platform (Hermannsson 1999). The PP or the IP usually hold the Ministry of Agriculture, the centre and left-wing parties the Ministry of Social Affairs and Education, and the PA never holds the Ministry of Foreign Affairs.

### **Coalition termination**

The literature has focused on the roles of exogenous shocks and, more recently, political institutions on cabinet termination. Table 7 lists the causes of cabinet termination. Two cabinets have terminated for nonpolitical reasons because of the retirement or death of a Prime Minister. Another cabinet termination of a special nature, although not nonpolitical, was the 'termination' of Hermannsson's 1988 cabinet when the CP joined the coalition to boost its majority. About half of cabinets terminate before scheduled elections. The proportion drops to one-third when the cabinets of 1958 to 1959 and 1979 are excluded. Five cabinets have terminated over economic policy and two over foreign policy. The remaining early termination followed ASÍ's refusal to postpone scheduled wage increases.

Icelandic cabinets terminate more frequently because of a policy conflict (27.3 per cent) than the other Nordic cabinets (21.5 per cent). These figures

Table 6b. Allocation of ministerships

Cabinet	Number of ministers	Cabinet composition	Allocation between parties
Thors II	6	IP-SP-SDP	2-2-2
Thors III	6	IP-SP-SDP	2-2-2
Stefánsson	6	SDP-PP-IP	2-2-2
Thors IV	5	IP	5
Steinþórsson	6	PP-IP	3-3
Thors V	6	IP-PP	3-3
Jónasson III	6	PP-PA-SP	2-2-2
Jónsson I	4	SDP	4
Jónsson II	4	SDP	4
Thors VI	7	IP-SDP	4-3
Thors VII	7	IP-SDP	4-3
Benediktsson I	7	IP-SDP	4-3
Benediktsson II	7	IP-SDP	4-3
Hafstein	7	IP-SDP	4-3
Jóhannesson I	7	PP-PA-ULL	3-2-2
Hallgrímsson	8	IP-PP	4-4
Jóhannesson II	9	PP-PA-SDP	3-3-3
Gröndal	6	SDP	6
Thoroddsen	10	IP-PA-PP	3-3-4
Hermannsson I	10	PP-IP	4-6
Pálsson	11	IP-SDP-PP	4-3-4
Hermannsson II	9	PP-PA-SDP	3-3-3
Hermannsson III	11	PP-PA-SDP-CP	3-3-3-2
Oddsson I	10	IP-SDP	5-5
Oddsson II	10	IP-PP	5-5
Oddsson III	12	IP-PP	6-6

are, however, misleading. The potential for policy disagreements is much lower in the minority, often single-party, cabinets that are more common in the other Nordic countries. Consequently, policy-related cabinet terminations are more likely to take the form of lost votes of confidence under minority governments, which can thus be construed as a policy disagreement. This changes the picture: Iceland now has the second lowest incidence of fatal policy disagreement, although the difference between countries remains insignificant. To control for minority status, a logit model was employed with the source of ter-

Table 7. Cabinet termination

Cabinet	Mechanism of cabinet termination					
	Terminal			Early parliamentary election	Voluntary enlargement of coalition	Cabinet defeated by opposition in parliament
	Regular parliamentary election	Other constitutional reason	Death of Prime Minister			
Thors II	x					
Thors III						
Stefánsson				x		
Thors IV				x		x
Steinþórsson	x					
Thors V				x		
Jónasson III				x		
Jónsson I				x		
Jónsson II				x		
Thors VI	x					
Thors VII		x*				
Benediktsson I	x					
Benediktsson II			x			
Hafstein	x					
Jóhannesson I				x		
Hallgrímsson	x					
Jóhannesson II				x		
Gröndal				x		
Thoroddsen				x		
Hermannsson I	x					
Pálsson						
Hermannsson II					x	
Hermannsson III	x					
Oddsson I	x					
Oddsson II	x					
Oddsson III						

Note: \* Thors retired for health reasons.

mination as the dependent variable. The estimated coefficient for Iceland has the expected, although insignificant, sign, but the effect of minority status is highly significant (excluding single-party cabinets, the estimated coefficients (s.e.) were: constant =  $-1.253$  (0.567), minority status =  $-1.460$  (0.679) and a dummy variable for Iceland =  $-0.901$  (0.624)).

Discretionary		Technical events								Comments
Conflict between coalition parties		Intra-party conflict in coalition party or parties	Elections (non-parliamentary)	Popular opinion shocks	International or national security event			Policy area		
Policy conflict	Personnel conflict				Economic event	Personal event				
SP-SDP, IP					US airbase			Foreign policy		
PP-SDP, IP		PP						Economy		
PP-IP								Foreign policy		
						x		Economy	ASÍ	
ULL-PP, PA								Economy	3 ULL withdraw support	
SDP								Economy	Formed only to call an election	
IP-SDP, PP	IP-SDP, PP							Economy		

Coalition parties tend to lose votes during their term – on average 2.7 per cent. If we restrict our attention to cabinets in office at the time of election, the loss increases to 4.1 per cent. The values are slightly inflated by the CP's disappearance from the political arena after one term in government. (Tables on which these calculations are made are available from the author.)

## Conclusions

The purpose of this article has been to survey political institutions and patterns of coalition governance in Iceland. The effects of many of the political institutions is difficult to ascertain in a case study as they remain fixed over the period of study and are best suited for comparative studies. The main impetus for undertaking this study was to facilitate such comparative studies.

Most theories of coalition politics have assumed uniformity in politicians' preferences, which may be correct. Political institutions do, however, influence the strategies that politicians adopt to achieve their goals. Different electoral systems, for example, require different things of politicians seeking re-election and influence the value politicians place on holding a particular office. More generally, where clientelism is important, re-election prospects come to depend on the ability to satisfy clientelistic demands. Various factors may influence the importance of, say, electoral systems, but the question is outside the scope of this article. The presence of clientelism creates a demand for access to the discretionary distribution of public resources that is concentrated in the hands of the executive. Politicians therefore behave *as if* they were office-seekers rather than policy-seekers, regardless of their 'true' preferences.

This insight has been used here as a compass in comparing patterns of coalition governance in Iceland and the Nordic countries and finds preliminary support for them. Patterns of coalition formation in Iceland, where clientelism is important, conform closer to the predictions of office-seeking theories than the other Nordic countries, where clientelism is less important, on several dimensions. The results are suggestive and warrant further investigation of the relationship between clientelism and coalition governance.

## Acknowledgments

I gratefully acknowledge the support of the Fulbright Foundation and the Department of Political Science, University of Rochester that awarded me a Richard F. Fenno Research Grant for the collection of the data. I am also grateful to Torbjörn Bergman, Hannes Hólmsteinn Gissurarson, Ólafur Þ. Harðarson, Gunnar Helgi Kristinsson, Wolfgang Müller, Mark Souva, Kaare Strøm and participants at the Coalition Governance in Western Europe Conference, Canterbury for their assistance. Finally, I thank Jón Baldvin Hannibalsson and Steingrímur Hermannsson for their time.



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