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Multi-Level Relations in Political Parties: A Delegation Approach

Pieter van Houten

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MULTI-LEVEL RELATIONS IN POLITICAL PARTIES

A Delegation Approach

Pieter van Houten

ABSTRACT

Most political parties operate on several territorial levels, but we have only limited theoretical understanding of multi-level party dynamics. This article presents a delegation framework for studying the interaction between the national leadership and regional branches in state-wide parties. Assuming a principal–agent relationship, the national leadership can obtain benefits from delegating tasks to a regional branch, but also faces possible costs in doing this. The rules and conventions regulating the multi-level interaction in parties are possible mechanisms by which to control the actions and policies of regional branches. These include formal party rules, informal party procedures and conventions, and state laws affecting party organizations. The framework provides an agenda and hypotheses for empirical research, research that should focus on crisis situations in parties, on what regional branches cannot do (instead of just documenting the activities of branches), and on the role of parties in shaping state laws and regulations.

KEY WORDS ▪ autonomy ▪ delegation ▪ multi-level relations ▪ party organization ▪ regions

Introduction

The interactions between actors and units active at different territorial levels within political parties are typically complex, and state-wide political parties face a variety of challenges in shaping and operating a multi-level party organization. At the root of this complexity and these challenges is the fact that party fortunes at each level are usually influenced by those at other levels, while different 'territorial units' in a party are likely to face quite different demands and imperatives in their operations. A good understanding of the

complex multi-level dynamics in political parties requires answers to a number of questions. For example, how are parties organized across different levels of government, and what are the links between the national party office and sub-national branches? Which factors influence these links? What are the effects of state decentralization on political parties? How much autonomy do sub-national branches have? At which level is the decision-making authority on certain issues located?

These appear – and to a significant extent are – empirical questions that require detailed empirical research if they are to be answered. Several of the other contributions in this issue, which are part of an emerging literature on these phenomena, contribute to this task. Importantly, however, these questions are also theoretical questions. Theoretical guidance is required to interpret empirical information, and even to know what questions to ask and what information to look for. As Peters (1998: 218) states, 'theory does provide us with a set of guideposts about where to look for assistance . . . Without that collection of theoretical ideas about the world, the researcher is at sea, not knowing where to turn for guidance.' Some attempts have already been made to theorize multi-level relations in political parties (e.g. Carty, 2004; Deschouwer, 2003, 2005; Hopkin, 2003), but these are still tentative, partly focused on developing typologies rather than explaining variation, and mostly inductively driven (i.e. trying to find some general patterns in empirical observations). There is room and a need for more deductive theorizing, which starts from and is explicit about its underlying assumptions and premises. Such theorizing can provide ideas for new and further questions to ask and information to collect, and suggest alternative interpretations of already available empirical accounts.

In this article, I present one such framework based on an approach regularly applied to the study of organizations. This provides an agenda for empirical research and further theoretical work to either extend the framework or formulate alternative frameworks that can be evaluated against each other. The framework presented is focused specifically on the relation between the national leadership in a state-wide party and the party branches at the regional level. It conceptualizes the interaction between these parts of a party organization as a 'principal–agent' relation, with the regional branches as agents of the national leadership. Allowing the sub-national branches some freedom and autonomy can benefit the party in elections, but also runs the risk of regional branches acting against the perceived interests of the party as a whole. Thus, there are incentives for the national party leadership to allow sub-national discretion, but also to control the branches. The implication of this conceptualization is that the various laws, rules and conventions guiding the interaction between the national and regional level in a party can – and may be explicitly designed to – serve as mechanisms controlling the actions and strategies of the regional party branches. I discuss possible control mechanisms, and hypothesize how specific organizational rules and practices in parties may function as such mechanisms.

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Throughout the article, I provide brief examples to illustrate the various points and to suggest the plausibility of the framework and the interpretations of multi-level dynamics in state-wide parties that follow from it.

A Delegation Perspective on Multi-Level Party Organizations

This section presents a simple delegation framework to study multi-level dynamics within political parties, focusing on the relation between national party headquarters and party branches at the regional level (i.e. the sub-national level below the national state). The subsequent section discusses implications from this framework for empirical research.

Basic Structure

Rational choice approaches to delegation relations are widespread in political science and economics, and have been used extensively in the study of organizations and institutions.[1] Although such approaches have been applied to some aspects of political parties (e.g. Koelble, 1996; Müller, 2000), applying them to multi-level dynamics in parties is novel. In the most basic of these approaches, a delegation relation consists of two actors or groups of actors: principal(s) and agent(s). The principal authorizes the agent to undertake activities that can benefit the principal, but for which she lacks the resources – in terms of time, expertise or information – to undertake herself. Delegation can, however, give rise to problems and costs (known as 'agency costs' or 'agency slack'), given the potential differences between the interests of principal and agent. For example, the principal prefers the agent to work as hard as possible, while the agent prefers to minimize his efforts. Or the principal wants the agent to represent the principal's views and interests (e.g. in a parliament or other representative body), while the agent prefers to act according to his own views.

The application in this article provides a stylized model of the relation between the national leadership of a state-wide political party (the national party), and the leadership of a sub-national branch of this party (the regional branch). The national party is assumed to be the principal and the regional branch the agent in this relation.

There are other possible ways of conceptualizing the relation between the national party and regional branches in a principal–agent framework, but these appear to be less empirically plausible. One possibility is a full 'democratic' chain of delegation, which would run from party members or activists as principals to local party leaders, regional party leaders and, finally, to party leaders at the national level. However, despite the increased 'democratization' of candidate selection in many Western European parties (Hazan and Pennings, 2001; Scarrow et al., 2000), the real influence of

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party members is typically limited, and such a full chain of delegation has not been observed in any party. However, a truncated version, in which regional branches serve as principals and the national party leadership as their agent, may be more plausible. This would be consistent with recent work on 'party aggregation' or the 'nationalization' of party systems (e.g. Chhibber and Kollman, 2004; Cox, 1999). This work takes a 'bottom-up' approach to the relation between sub-national party branches and national parties, and focuses on the conditions under which 'local' parties organize themselves into national parties. This is certainly useful in understanding the historical formation of parties and party systems (cf. Chhibber and Kollman, 2004). It seems less useful in the contemporary context, however, especially in Western Europe. In the course of the nineteenth and early twentieth centuries, European political systems became 'nationalized' (Caramani, 2004), a process subsequently reinforced in the post-World War II era by centralized state organizations. As a consequence, many political parties also became nationalized. Thus, a top-down approach to the relation between national parties and sub-national branches, as used in this article, seems a more plausible representation of the organizational structure of many contemporary political parties. Having said this, there are parties in which the regional branches appear to dominate the national organization. Examples are most of the Swiss and Canadian political parties, and possibly some of the German parties. It will, therefore, be worth exploring the implications of this alternative conceptualization in further research, and empirically evaluating the different models.[2] Moreover, a broader theoretical framework could have a first stage, in which different actors vie to be the 'principal', and subsequent stages consisting of different delegation relations depending on the outcome of the first stage.

Another possible conceptualization starts with a central party office, which delegates powers to party leaders active at the national and regional levels of government. Such a model seems to describe the organization of contemporary Belgian parties accurately (De Winter, 2006) and many of the parties formed in the 1990s in Central and Eastern Europe (van Biezen, 2000). However, Katz and Mair (2002) argue that the 'party in central office' has lost power relative to the 'party in public office' in most parties. Moreover, central party headquarters tend to be located in state capitals and be closely linked to – or to even predominantly consist of – national party leaders, in which case this alternative model becomes similar to the delegation framework presented in this article, in which the national party acts as principal and regional branches as agents.

In this framework, I assume that the leadership of the national party cares primarily about winning national elections or, more precisely, maximizing votes in national elections. There is extensive debate in the party literature on whether, and under what conditions, parties are 'vote', 'office' or 'policy' seeking (Strøm, 1990; Wolinetz, 2002). I am mostly agnostic here about whether parties are primarily office or policy seeking. As Strøm (1990: 573)

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notes, obtaining votes is not an end in itself, but a means to pursue office or policy benefits. Therefore, vote seeking is compatible with – and, in a way, logically prior to – both office and policy seeking. The preference of the leadership of the regional party branch is assumed to be to obtain good results in regional elections, as this can put them in office and allow them to pursue their policy objectives. Moreover, I assume that the regional leadership wants to avoid being removed, or overruled in other ways, by the national party leadership.

There are several possible benefits for the national party to have regional branches with some form of autonomy, as opposed to running national and regional elections, as well as coordinating party behaviour in national and regional legislatures, from the central office. Besides the possibility of work overload, there are two possible characteristics of regional branches that may help the party do well in national elections in the region (the issue that the national party is assumed primarily to care about). First, the regional branch may have better information and expertise about how to mobilize voters in the region and how to pitch the party's message to the local electorate. Second, the regional branch may have more credibility than the national party with the electorate in the region. If either or both of these conditions apply, then the national party needs the support and involvement of the regional branch in order to get the best possible results in national elections in the region.

As a consequence, the amount and type of authority delegated to the regional branch can be expected to vary with the need for regionally specific information, expertise or credibility. This need is likely to be highest in regions which are ethnically, culturally or otherwise distinctive from the rest of the state. In such regions, specific issues such as education in the regional language or other cultural matters are likely to be important to parts of the population, and even issues common throughout the state (such as economic and transport policies) may be framed in regionally specific terms in the political debate. Such a regionally specific debate is, in many cases, induced or amplified by the presence of regionalist parties (De Winter and Türsan, 1998; Keating, 1998). A completely centralized state-wide party running in elections on a uniform platform throughout the country is unlikely to be very successful in such regions. It needs to delegate authority to regional branches to take advantage of the specific information and credibility that this can bring. Thus, delegation to – and the autonomy of – regional branches is most attractive and relevant in regions such as Catalonia, the Basque Country, Corsica, Scotland, Wales, Bavaria, Quebec or Northern Italy. Consequently, these are the most interesting regions in which to study this phenomenon. Similarly, the question of how much power to delegate to regional branches will be more salient the more decentralized the state itself is, that is, the more competencies the sub-national units have.

Before discussing the potential dilemmas involved in this delegation relation and possible mechanisms to minimize its costs, it is necessary to discuss

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a possible complication. It may seem a weakness of the framework that it presumes a sharp and neat distinction between national politics and national elections, on the one hand, and regional politics and elections, on the other. In brief, national party leaders care about national elections, regional party leaders care about regional elections, and delegation issues arise because regional branches can help national party leaders win national elections by obtaining good results in their respective regions. This neat distinction, however, barely exists in reality. First, voters often fail to make clear distinctions between national and regional political issues, even if the distribution of powers and responsibilities between levels of government is relatively clear. That is, voters may associate the party with regional party leaders familiar to them, even if the election or involved issues are national. Or, perhaps more frequently, they may associate the regional branch with the national party, even in regional elections or in relation to regional issues. Second, the distribution of competencies between levels of government is often unclear and many of them may be shared between national and regional levels (Rodden, 2004), making a clear distinction between these levels untenable.

Third, the national party is likely to care not just about national elections, but also about regional politics and the outcome of regional elections. There can be several reasons for this. Regional election outcomes and other regional developments (such as political scandals) may affect the performance of the party in national elections. Worries of this were behind the decision of the UDF national leadership to expel five regional party leaders for their co-operation with the extreme right National Front after the 1998 regional elections in France (Knapp and Wright, 2001: 210). The impact of regional developments on national politics will be strongest if the national media and political debates pay close attention to developments in regional politics. This is, for example, the case in Spain, but much less so in the United Kingdom, where Scottish and Welsh politics receive limited attention outside these regions (van Biezen and Hopkin, 2006). Moreover, in some states, regional politics and elections have direct consequences for national politics. A clear example is Germany, where regional governments – through their representation in the *Bundesrat* – participate in most legislative activity at the national level, but less formal links may exist in other countries too.

However, instead of undermining the use of the framework presented in this article, these complications reinforce its potential. Their implication is that the national party leadership will care more about developments in regional politics than is indicated in the simple model described above (cf. Deschouwer, 2005). The benefits to them of 'good' actions by a regional branch increase, which may align the interests of the national party and the regional branch. However, the costs of 'bad' actions by the regional branch that are perceived to undermine the interests of the national party also increase. And in distinctive regions the probability of such actions will be relatively high. Thus, the national leadership desires to control the branch

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as much as possible, but has to give it considerable authority and autonomy to obtain benefits – the dilemma at the heart of all delegation relations.

Costs and Dilemmas

This dilemma arises because delegation not only provides benefits of specialization, but also costs. The literature on delegation relations indicates three possible reasons for these costs: hidden information, hidden action and conflict of interests (e.g. Kiewiet and McCubbins, 1991; Lupia and McCubbins, 2000). Hidden information refers to private information on the part of agents about the effects or reasons of specific actions. While such information may be the reason for delegating tasks to these agents in the first place, it also means that it is difficult to discern whether advice from or actions by the agent serve the principal's interests, as the agent may use the private information to his own advantage. Hidden information has been identified as an important aspect of delegation to committees in parliament, to bureaucracies and to other expert bodies. It is less clear, however, that it is relevant for delegation relations within political parties. Party elites tend to act in front of an audience of party activists, media and voters (Müller, 2000: 323 f.). Moreover, party leader – at national or regional level – is not a position that seems to require or imply specific informational advantages.

Hidden action may be a more relevant problem. This occurs when the principal cannot adequately assess the influence of the agent's action on the observed outcome. Applied to the situation here, the national party needs to judge the extent to which the regional branch leadership is responsible for a good or disappointing election result. Given that many other factors impact on election outcomes, and that it is hard to evaluate whether the regional leadership could have done things differently to improve the results, it is possible that the national party will unfairly credit or blame the regional branch, and hurt its own interests by dismissing good agents or maintaining bad ones.

Conflict of interest seems the most relevant source of delegation costs in this application. The national party primarily cares about the results of national elections. Generally, a fairly uniform party programme across the country may be necessary for this. It may be able to do better in a specific region, especially in a region with a distinct political arena and party system, by adjusting the programme to regional needs. For example, it can call for the decentralization of more powers or funds to this region. However, this may cost them votes in other regions, where voters are likely to be opposed to special treatment for one region (Chandler and Chandler, 1987; Müller, 2005: 253). The dilemma here is described well – in a slightly different context – by Müller (2000: 322):

> In the electoral arena the candidates' ambition to win single-member districts or preference votes may lead them to present their own sets of policies which are popular among their specific target electorates but

> which are at odds with the party's general strategy. While the individ-
> ual candidate may benefit from this behaviour, it will make the party
> look unreliable and harm its electoral prospects.

This not only applies to individual candidates, but also to regional branches of parties. In some regions, a regional branch may favour a region-specific programme, especially because this may help them perform well in regional elections. This is the dilemma that the socialist party in Catalonia (PSC), which is affiliated with the Spanish socialist party (PSOE), has faced for many years (Roller and van Houten, 2003). To do well in regional elections, it has to appeal to Catalan interests and a Catalan identity. However, its affiliation with PSOE constrains this, as it needs to follow – or be seen to follow – general party lines. In the late 1990s, it became more successful in pushing a regional agenda, facilitated by the weakness of PSOE at the national level. With PSOE back in the national government since 2004, however, relations between PSOE and PSC became more complicated again.

A second dimension of conflict of interest can be about leadership positions in the party. The extent and intensity of both dimensions of interest conflict are influenced by the career patterns in a party. If party elites frequently move between party levels (e.g. between the national, regional and European level), then conflicts of interest in the first dimension – over electoral strategies at different levels – will be smaller and conflicts over party offices larger. By contrast, if there is limited movement of politicians between levels, then the first dimension of conflict is likely to dominate. Career patterns vary considerably by country and region (Deschouwer, 2003; Stolz, 2003), so this is a factor to be taken into account when analysing party organizations. For example, in Switzerland and Germany career patterns are oriented towards the national level, while in Belgium the situation is much more fluent. In certain regions, such as the Basque Country, Galicia and several Northern Italian regions, career patterns are more directed towards the region than in other parts of these countries (Stolz, 2003: 244).

As in most interesting delegation situations, the factors making delegation potentially beneficial and necessary – here, regional party systems and electoral arenas which differ in significant ways from those at the national level or in the rest of the country – are also the factors increasing the likelihood of 'agency slack' and raising the costs of delegation. The occurrence and nature of delegation, then, is expected to hinge on the ability of the national party to control or induce the behaviour of regional party branches, while maintaining the benefits of delegation.

Control Mechanisms

Delegation does not necessarily lead to the abdication or transfer of authority (Lupia and McCubbins, 2000). A principal can potentially use an array of procedures and mechanisms to control her agents.[3] The focus on and

analysis of these procedures and mechanisms are at the heart of the delegation approach to the study of organizations presented here. Thus, for this approach to be plausible and useful, we should be able to observe the national party leadership employing – or attempting to employ – various control mechanisms. Before discussing several possibilities, it should be emphasized that control will necessarily be imperfect, because control procedures are costly and it is necessary to provide agents with some autonomy in order to reap the benefits of delegation.

Following Kiewiet and McCubbins (1991), we can distinguish between different categories of control mechanisms: selection and screening of agents, contracts, sanctions based on reporting and monitoring, and institutional checks. The first two mechanisms operate *ex ante* (before the agent acts), the latter two *ex post*. The range of specific procedures and mechanisms in these categories is potentially large, and is likely to vary from situation to situation. I highlight the most obvious possible mechanisms in the relation between national party and regional branch. Empirical research should then investigate whether these hypothesized mechanisms indeed operate.

The selection of regional party leaders is the most direct possible agent selection mechanism. Some examples from the UK and Spain demonstrate the potential importance and problems of this form of control (van Biezen and Hopkin, 2006). In 1998, the national Labour Party successfully imposed its preferred candidate, Alun Michael, as leader of its Welsh regional branch. However, Michael subsequently resigned in February 2000, largely due to pressure from regional party members. As a result, the national Labour Party is less likely to use this direct control mechanism again, in particular as it has realized over the years since devolution was introduced in the United Kingdom in 1999 that delegating some authority to regional branches need not have serious and negative consequences. In Spain, national parties managed to keep relatively close control over the selection of regional branch leaders, mostly as a result of the centralized nature of the parties that formed during the transition to democracy in the late 1970s. A partial exception to this rule is the PSC in Catalonia, which is affiliated to PSOE through a federal arrangement which gives the national party less control.

The selection of election candidates (especially in national elections) can also be a potential control mechanism under this heading. Despite being described in the past as the 'secret garden of politics' (Gallagher and Marsh, 1988), we know that there is considerable variation between parties in the nature of candidate selection processes (Bille, 2001; Lundell, 2004). For example, Spanish and French parties are more decentralized in their candidate selection than British, Belgian and Swiss parties, and the French socialist party (PS) is more decentralized than the other main French parties. Furthermore, in some countries – Germany, Finland, Norway and the United States – the decentralized nature of candidate selection in parties is established by state regulation (Lundell, 2004: 28). Thus, the availability and use of this form of control mechanism appear to vary between parties.[4]

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There may also be more informal ways of influencing selection procedures; for example, by publicly or secretly supporting particular candidates. In fact, such channels should be attractive to the national party, as intervening directly in leadership selection at the branch level may appear heavy-handed and can lead to a backlash in the party's support, as demonstrated by the Labour Party in Wales in the late 1990s. Therefore, studying such informal channels is a further fruitful avenue for research.

The use of contracts is another possible mechanism by which to control an agent. In this context, 'contract' is used in a broad sense and refers to formal and informal conventions and rules binding the agent's behaviour. In the relation between national party and regional branch, it is possible to think of a wide variety of rules and conventions that might serve this purpose. Procedures for the adoption and approval of election programmes, the existence of consultation bodies for party programmatic and organizational matters with representatives from different party levels, the creation of central party bodies to coordinate the actions of the party at different levels, and rules and conventions requiring a regional branch to seek approval from the national party for coalition formation decisions at the regional level are all examples observable in some parties. Van Biezen and Hopkin (2006) indicate that in Spain regional branches of the socialist party (PSOE) have more freedom than conservative party (PP) branches in choosing electoral strategies, while coalition considerations of both parties at the national level take no account of possible consequences for their regional branches in regional coalition dynamics. In the United Kingdom, after some initial attempts at strict control by the Labour Party, branches in Wales and Scotland now have a considerable amount of discretion in developing their election programmes.

Müller (2000) mentions party discipline as an important 'informal contract' between members of parliament and the party leadership and activists. Perhaps we should expect this to be less applicable to the relation between national party and regional branch, but there may be informal rules and conventions that prescribe regional branches to support – or, at least, refrain from criticizing – national party policies and decisions. In countries where regional governments participate directly in decision-making at the national level, party discipline can become an important priority. In Germany, national party leaders often try to get the *Bundesrat* to vote along party lines (e.g. Lehmbruch, 2000), but this is not always successful (e.g. Jeffery, 1999). Indeed, the specific coordinating process in Germany between a national party and its *Bundesrat* members is a good arena in which to evaluate the framework presented here.

A crucial aspect is the financial organization and regulation in a party. In particular, how much control does the national party have over the finances of the regional branch? It is widely recognized that financial factors and arrangements significantly shape party organizations (e.g. Duverger, 1954; Katz, 1996; Katz and Mair, 1995; Panebianco, 1988; Strøm, 1990; van Biezen, 2003), and occasionally this insight is extended to multi-level dynamics within

a party (e.g. Deschouwer, 2003; van Biezen, 2003: 40, 198). For example, if public finance is provided to the national party, as is the case in Spain, then this gives considerable power and authority over sub-national branches. Consequently, state laws regulating party and campaign finance will have an impact on multi-level dynamics in political parties and should be studied in this context (see the next section).

Sanctions on an agent acting against the interests of the principal constitute a third type of possible control mechanism. This requires the monitoring of or reporting on the agent's activities. It may not be so problematic in the context studied here, as the activities of regional branches will be under the constant scrutiny of party members, media and voters (although 'hidden actions' may still make it difficult to attribute responsibility to particular persons). In addition, parties can require regional branches to report to a central party body at the national level.

The most radical sanction would be to expel a regional party leader from the party, as the French UDF did with regional politicians cooperating with extreme right politicians. However, national parties may also avail themselves of a wide variety of more subtle sanctions. Control over financial resources can be used to reward or punish regional branches. National party leaders can refuse to endorse or campaign for leaders of the regional branch in elections. And the national party leadership can try to use its influence subtly to further or hinder the careers of sub-national party elites. For this type of mechanism, it is important to keep in mind that the infrequent use of sanctions – and, thus, the limited number of occurrences we may observe – does not necessarily mean that they are ineffective or absent. The threat of sanctions can reduce the need to actually use them.

The final category of possible agent control mechanisms comprises institutional checks. This refers to organizational constructions in which several bodies are responsible for, or compete with each other over, the making of decisions or setting of policies.[5] This may be less relevant in multi-level party organizations, as the territorial organization of parties is often fairly hierarchical.[6] There may, however, be constructions in which several party committees or forums, operating at different territorial levels, all need to agree on a particular party decision. These bodies can then check each other's actions. Another possibility of an institutional check would be to give local party branches the opportunity to complain to the national party about actions and policies of the regional branch. Furthermore, France may provide an example of competition between different party bodies at the sub-national level, as the regional and local levels of government and the prefects (representatives of the central state, and thus usually affiliated to national parties) have overlapping and only vaguely specified authority and powers.

In summary, the presented framework hypothesizes that national party leaders will use various mechanisms to (try to) control regional branches. This section has presented a list of possible mechanisms. To derive more specific hypotheses about exactly which control mechanisms will be used

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by certain parties, we need to know more about the relative advantages and disadvantages of each control mechanism and the factors influencing this. Kiewiet and McCubbins (1991: 34–7) suggest that the feasibility and costliness of control mechanisms, learning and adaptation by organizations, and institutional 'stickiness' all play a part in this. Applying and evaluating these suggestions in the case of multi-level party organizations is one of the tasks for further research on these phenomena.

Implications of the Framework

The brief illustrations in the previous section hint at the promise and plausibility of the framework presented (and, from the empirical research that is available, it is evident that the leadership of most state-wide parties spend considerable energy and resources on trying to influence or control regional party actors). However, more detailed research is required to further evaluate this. But what exactly should this research focus on? And, if proved plausible, what are some of the new insights into the multi-level dynamics within political parties that the framework provides?

A first implication of the framework is that the resources and levels of autonomy of party branches, although important, are not necessarily indicative of the underlying power relations in a party. Autonomy of regional branches does not necessarily imply that the national party has no control. In a principal–agent framework, agency autonomy can be entirely consistent with control by the principal. The crucial issue is the ultimate authority to make decisions or overrule decisions by the agent if these diverge too much from the principal's interests. Note, however, that a general complication for principal–agent models is that the delegation of authority and the transfer of authority can be observationally equivalent (Kahler and Lake, 2003: 9). In other words, it may be difficult to distinguish between a regional branch with autonomy because the national party allows this, and a regional branch which has autonomy because the national party no longer controls it.

This implication may, for example, be able to shed new light on the debate about the situation of the Scottish and Welsh Labour parties in the United Kingdom. Most of this debate focuses on the ability of these regional branches after the implementation of the devolution arrangements in 1999 to make their own decisions on issues such as candidate selection and election programme formulation. The experience so far indicates that interventions by the national Labour Party have decreased over time (Bradbury, 2006; Laffin and Shaw, 2007; Russell, 2005; van Biezen and Hopkin, 2006), which is usually seen to amount to a loss of control by the national headquarters. A delegation perspective, however, calls for some caution. It might be that increased discretion of the Scottish and Welsh Labour parties reflects a recognition by the national party that, on the whole, this serves its interests and that initial, heavy-handed interventions (as in the leadership selection

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in Wales discussed above) were counterproductive. Several observations seem to support this interpretation. First, the national executive committee (NEC) of the party is still formally involved in the selection of election candidates through its representation on selection boards and its required approval of regional lists (Laffin and Shaw, 2007: 63; Russell, 2005: 73–4). Second, 'the national Labour leaders tend towards an approach of sporadic interventionism in selections' (Laffin and Shaw, 2007: 61). Third, and more generally, 'the NEC retains ultimate powers of intervention through its control over party rules, including those of candidate selection, leadership elections, staffing and finances' (Laffin and Shaw, 2007: 69). Thus, while the autonomy of these regional branches may have increased, it is premature to conclude that the national party has consequently lost some of its control. As Bradbury (2006: 220, 225) states, the party has 'sought to find a balance between unity and discretionary devolution within the party' by devolving 'to the Scottish and Welsh parties on matters of procedure, strategy and policy'.

On the other hand, a situation where the delegation of authority became the transfer of authority seems to have occurred in the Belgian state-wide parties in the course of the 1960s and 1970s (De Winter, 2006), where the sub-national groups (defined along linguistic lines) became increasingly powerful, and the parties eventually broke up in the context of growing linguistic and nationalist tensions in the country.

For empirical research on authority patterns in multi-level party organizations, this implies that rather than simply documenting the decisions and autonomy of regional branches, it will be more useful to focus on specific episodes in which this ultimate authority is at stake (in times of party crises, a radical change in the electoral environment, widespread popular protests, etc.). In Belgium in the 1960s and 1970s, national parties did not withstand these pressures, indicating a loss of control; in the UK, it may take a crisis situation for us to definitively assess the relation between national party and regional branches. Furthermore, it suggests that we should pay special attention to what regional branches cannot do (and less to what they can do), as this will give a better sense of the limits of their powers and discretion. Only such research will allow us to evaluate the plausibility and analytical power of the presented principal–agent framework.

A second implication is the importance of institutional features for an understanding of multi-level party dynamics. After all, the potential agency control mechanisms discussed in the previous section can all be seen as institutions. As Kiewiet and McCubbins (1991: 36) point out, 'types of delegation and agency control mechanisms . . . are simply different forms of institutional arrangements'. These institutional arrangements, however, differ considerably in their 'degrees of institutionalization'. Some are more formal than others, and some are enforced within the party itself, while others are enforced by the state. This provides a useful categorization for empirical research, and may place the role of party legislation and regulation in a different light.

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A first, and the most obvious, category consists of formal party rules. Examples are rules on the selection of regional leaders and parliamentary candidates, the financial organization within parties, statutory relations between the national party and regional branches about the approval of election programmes, statutory reporting requirements for regional branches, and so forth. These rules can be found in party constitutions and statutes, and provide good opportunities for comparative research (e.g. Thorlakson, 2009, this issue). Informal party practices form a second, and less institutionalized, category of possible control mechanisms. National party leaders can use informal channels to influence candidate selection, the distribution of financial resources and other aspects of the environment in which regional branch leaders operate. These mechanisms are more difficult to document, but may be equally or more important than the formal rules (cf. Helmke and Levitsky, 2004). It will probably require detailed case studies of particular parties to get a better understanding of these mechanisms, before more systematic comparative research is possible.

Several of the possible control mechanisms discussed in the previous section do not operate at the level of the political party, but at the level of the state. Thus, a third, and the least obvious, category of institutional features consists of state laws that have an impact on party organizations. Examples are the laws regulating candidate selection in Germany, Finland and Norway, and laws regulating party and campaign finance. We may be inclined to see these as exogenous factors influencing the organization and functioning of political parties, rather than as control mechanisms consciously designed by party actors. However, the delegation framework presented here, which has party actors at the centre of its analysis, encourages us to think about the possibility that these laws and regulations are at least partly endogenous to party politics. These laws are, after all, political decisions, usually made by representatives of political parties (Müller, 2005). As Strøm (1990: 595) suggests, 'the design of political institutions may be endogenous to party behavior'. Or, as Mair (1994: 11) states even more explicitly:

> [R]egardless of whether we are dealing with state regulations, or party laws, or levels of state subventions, we are always dealing with decisions which have been taken by the parliament, and by the political class, and therefore by the parties themselves. Thus . . . while any one party may regard this regulatory context as an exogenous factor to which it must adapt, it is the parties as a whole, or at least as a majority, which have usually devised and determined the character of these regulations.

Thus, we can ask whether some of the regulations affecting the multi-level dynamics in a party are adopted to serve as mechanisms to control subnational party branches – or, alternatively, to avoid national control of these branches. While other factors are undoubtedly also important in the formation of state laws, and such laws can be difficult to change by one party on its own (i.e. they will be more 'sticky' than internal party rules and regula-

tions), this possibility is worth pursuing (cf. Müller, 2005). Existing research has not addressed this,[7] and only provides some interesting hints at this stage. For example, Poguntke (1994) indicates that, in Germany, many party regulations should be seen as exogenous to the parties, but that some are open to direct party influence. This applies particularly to financial regulations, where 'parties have consistently tried to privilege themselves' (p. 199). The effects of these regulations on the internal, multi-level organization of parties, and the extent to which these regulations were shaped with these effects in mind, are less clear and need further research. As another example, van Biezen (2003: Ch. 4) shows that parties in Spain have centralized organizations, with the national level being dominant. One aspect of this is that the national leaderships control financial and budgetary decisions within the parties (pp. 100 f.). Moreover, state regulations play an important role in this, as 'the large part of state subsidies [in new democracies such as Spain] tends to be allocated to the national party' (p. 198). It seems plausible, but not yet established empirically, that these regulations were designed by party leaders to serve as controls on sub-national party branches.

Conclusions

Several years ago, Mair (1997: 43) argued that 'we need to develop and test a series of hypotheses which might account both for the diversity of party organizations and for change within party organizations'. While he was referring to responses of parties to increased electoral volatility, this appeal can also be applied to the study of parties as multi-level organizations. This article has taken up this challenge, and has formulated a framework and hypotheses that can help to structure empirical research on the nature of multi-level organizational features in parties and the interactions and exercise of authority between different party levels within these features.

The framework conceptualizes the interaction between the national leadership and regional branches in state-wide parties as a principal–agent relationship, in which the national leadership attempts to obtain benefits from delegating tasks to the regional branch, but faces possible costs in doing this. The rules and conventions regulating the multi-level interaction in parties are, then, hypothesized to be mechanisms controlling the actions and policies of regional branches. These rules and conventions include formal party rules, informal party procedures and conventions, and some of the state laws affecting party organizations. The possibility to endogenize these state laws is a particularly promising implication of the framework. Empirical research following from this theoretical framework should, in particular, focus on specific episodes or issues in which the interests of the party levels diverge and their authority and influence is at stake, and on the choice and effects of institutional arrangements that may serve as control mechanisms over sub-national party branches.

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This article has given a few brief illustrations to indicate the plausibility and promise of the framework presented, but much more empirical research needs to be done to establish its utility (for a first attempt, see van Houten, 2009). Moreover, further theoretical developments and extensions of the framework are necessary. In particular, which factors can we expect to influence the relative costs of particular control mechanisms, and, thus, the preferences of party elites for these mechanisms? And what can explain whether the chosen mechanisms are formal or informal rules, or state laws? The legal availability of mechanisms, the existing framework of regulations at a particular point in time, the level of heterogeneity (in electoral context, party systems, etc.) across regions, and the nature of party and electoral competition at the national level are possibly relevant factors, but more theorizing – in combination with empirical research – is necessary. Equally importantly, we need to formulate alternative frameworks and hypotheses, based on different assumptions about actor preferences, institutional arrangements and factors driving the behaviour of party actors. The development and evaluation of alternative frameworks is necessary to complement, interpret and direct the growing body of empirical research on multi-level party organizations, and to take this research agenda forward.

Notes

1 For accessible overviews of delegation models in political science, see Kiewiet and McCubbins (1991: Ch. 2), Brehm and Gates (1997), Pollack (1997), Lupia and McCubbins (2000) and Bendor et al. (2001).
2 Note that this model would have multiple principals (regional branches) and a single agent (the national party), while the model discussed in this article has a single principal and multiple agents. We should therefore expect that agency control is more difficult – because of possible collective action and coordination problems – for regional branches (if they are the principals in the relation) than it is for the national party to control regional branches (cf. Kiewiet and McCubbins, 1991: 26 f.).
3 Some of these mechanisms and procedures are akin to what Carty (2004) describes as the 'franchise contract' in political parties.
4 A possible complication here is that party activists and members may be involved in the selection of leaders and candidates in some parties. The party leadership often manages to maintain ultimate control over candidate selection (Hopkin, 2001; Scarrow et al., 2000), but democratic procedures may be significant in some cases.
5 The most famous defence of this mechanism is Madison's discussion of 'checks and balances' in *The Federalist Papers*.
6 See Carty (2004) for a somewhat different perspective on this.
7 For example, Müller and Sieberer (2005) do not discuss this possible role of party laws at all.

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PIETER VAN HOUTEN is a lecturer in the Department of Politics and International Studies and Fellow of Churchill College, University of Cambridge. His research focuses on territorial politics in Western Europe (regional autonomy movements, territorial structures of political parties) and conflict management in the Balkans and Eastern Europe, on which he has published several articles and book chapters. Most recently, he has conducted an ESRC project on the role of international organization in conflict management and post-conflict governance and reconstruction in Bosnia, Kosovo and Macedonia.
ADDRESS: Department of Politics and International Studies, 17 Mill Lane, Cambridge CB2 1RX, UK. [email: pjv24@cam.ac.uk]