Managing Political and Societal Conflict in Democracies: Do Consensus and Corporatism Matter?

HANS KEMAN AND PAUL PENNINGS *

In their Note ‘Corporatism and Consensus Democracy in Eighteen Countries’ (this Journal, 21 (1991), 235–46) Arend Lijphart and Markus Crepaz sought to analyse the conceptual and theoretical linkages between corporatism and consensus democracy. Their aim was not only to investigate whether the concepts were linked to each other, but also to examine to what extent they overlapped. The authors claim that corporatism is part and parcel of consensual types of democracy (p. 235). If corporatism could be included as a dimension of consensual democracy the contrasts between Westminster and consensual types of democracy would be empirically enhanced and would be more comprehensive. Although this is an interesting line of thought, we think that there are a number of conceptual and methodological flaws in the elaboration of this idea that should be discussed in more detail, because they may very well cast some doubt on the degree to which corporatism is indeed ‘part and parcel’ of consensual politics. In this Comment we shall elaborate this argument and also suggest some ways in which the thrust of Lijphart and Crepaz’s theoretical arguments can be upheld and their empirical analysis improved.

CONCEPTUALIZING AND MEASURING CORPORATISM

Lijphart and Crepaz explicitly state that corporatism is two-dimensional. On the one hand, it concerns a type of interest group system; and, on the other, it is a system of concertation including a non-partisan mode of making and implementing policies (pp. 235–6). The authors rightly point out that corporatism has developed in various countries for specific historical, cultural and political reasons, and also results from certain objective conditions (such as size, economic interdependence, industrial structure, etc.). We need not repeat the various explanations of the emergence of corporatism. However, it is important to understand that these authors, implicitly or explicitly, tend to derive their empirical concepts from the historical and structural factors they deem to be crucial. In other words, although most of the measures used by Lijphart and Crepaz (see their fn. 13, p. 238) have strongly similar scores for each of the countries, more often than not they have a different meaning. To give an example: Schmitter, Crouch and Cameron regard the organizational features of the actors involved and their threat potential (namely, strike-activities) as vital to their conceptualization, whereas Schmidt and Czada emphasize in their definition of corporatism social

* Department of Political Science and Public Administration of the Vrije Universiteit Amsterdam. We are grateful for the helpful comments of Ian Budge and Arend Lijphart.

partnership with state involvement in the bargaining process. Conversely, Paloeimo and Lehner emphasize ‘concertation’, namely, a general economic consensus among the main participants which induces a ‘logic of accommodation’. So the underlying meaning of the term is quite different depending on how the authors define it. The three groups of indices mentioned here as examples will, therefore, have a different theoretical impact: the scores may more or less match, but that does not imply that they mean the same thing in the different countries! It is striking to observe, for instance, that the indexes of Schmidt and Paloeimo statistically almost completely overlap, but are at the same time conceptualized quite differently (see Table 1).

Although the various indices broadly correspond, quite a few do not show strong inter-correlations. In particular, the indices of Czada, Lehner and Paloeimo seem to give quite different results. The reason for this is simple: there are some countries (namely, Japan, Ireland and Switzerland) that are scored in the opposite direction by these authors. This neatly illustrates the general point made above. The way authors conceptualize and operationalize their corporatism index varies considerably. This leads to particular cases being interpreted in a completely different way, which clearly has


4 Marks’ and Schmitter’s scores are inverted, which explains the negative relationship with other indices.
statistical implications. In addition, most indices of corporatism are constructed in a very simple way: Czada, Paloheimo, Schmidt and Schott use a three-point scale; Czada, Lehner, and Bruno and Sachs employ a five-point scale; the other authors mentioned by Lijphart use different scoring systems altogether.

In sum, both the conceptualization and the operationalization of corporatism is much more divergent than Lijphart and Crepaz suggest (p. 238). In our view, this has serious implications for their measurement of corporatism and their theoretical argument. Neither standardization of the various indices nor the contention that there are only a few deviant cases (p. 239) warrant their ‘lump sum’ measure. Given that the maximum number of cases available is only eighteen and that there is high variation in matching indices (using as a cut-off point \( r = 0.50 \) there are seven indices used by Lijphart and Crepaz that do not match each other), the actual position of a country varies considerably across the indices developed, even if the respective authors share a more or less similar view on corporatism as a theoretical concept. Hence, it is doubtful whether the method advocated by Lijphart and Crepaz of combining a number of corporatism indices yields either valid or reliable results. It would have been better if they had selected one (or two) of the existing indices for the analysis on the basis of their own arguments put forward in the Note.

**CORPORATISM AND CONSENSUS DEMOCRACY: EMPIRICAL COINCIDENCE OR STRUCTURAL AFFINITY?**

The authors state that their analysis is ‘the first explicit attempt to link corporatism to consensus democracy and to test their relationship empirically’ (p. 237). Leaving aside the question of whether or not this is the first attempt, we agree that consensus democracy and corporatism may well have something in common. This commonality is derived from a crucial feature underlying both concepts, namely collective decision making by means of compromise and co-operation between the relevant actors involved (i.e. political parties in a consensus democracy: socio-economic actors in corporatist arrangements). The assumption is that all the actors involved know that if another strategy is pursued the resulting decision making will more often than not be suboptimal. However, and this is an essential difference between the two concepts, consensus

---

7 Czada, Paloheimo, Lehner and Schmidt differ in this respect on Australia, Finland, Ireland, Italy, Japan, the Netherlands, New Zealand and the United Kingdom; Crouch, Schmitter, Schott, and Bruno and Sachs have quite different scores on Belgium, Denmark, Finland and Switzerland.
democracy represents a mode of institutionalization of political actors by referring to aspects of parliamentary democracy, whereas corporatist interest intermediation represents the incorporation of societal actors typically by means of non-parliamentary consultation in order to avoid zero-sum outcomes of policy formation.

If our line of reasoning is correct, then it follows that both measures are based on the ‘logic of accommodation’ and may co-vary empirically, but at the same time it does not imply that consensus democracy and corporatism have the same effect on the decisions that are made. There appears to be a structural affinity, but the concepts are not identical and one cannot be considered as a superordinate or subordinate category of the other. Assuming a proper measurement of both concepts as comparative variables, we should be able to assess to what extent these dimensions of political decision making in democracies occur together in reality. To this end we have correlated (using Spearman’s rho, $r_s$) the various measures of corporatism employed by Lijphart and Crepaz to construct their index of corporatism with the index of consensus democracy (see their Table 1, p. 239). From this exercise it appears that the composite index of corporatism developed by Lijphart and Crepaz (the ‘lump sum’ measure) is among those that correlates strongest with their own index of consensus democracy ($r_s = 0.569$). Only Crouch ($r_s = 0.589$), Lehmburch ($r_s = 0.577$) and Schott ($r_s = 0.527$) come close to the degree of association found by Lijphart and Crepaz. None of the other measures of corporatism is related strongly (i.e., over 0.50) and some of them are hardly related to consensus democracy at all (those of Cameron, Palloheimo, Marks and Schmitter). These results demonstrate that the various indices of corporatism used by Lijphart and Crepaz to construct their measure differ among each other in at least two respects: first, the extent to which countries are considered as being corporatist and, secondly, the way the various authors have placed countries on their respective indices. We must conclude therefore, given the variation in conceptualization, that the index developed by the Lijphart and Crepaz is invalid and untrustworthy. In other words, regardless of the structural affinity between consensus democracy and corporatism, it appears that the empirical relationship is by and large identical.

Having concluded this, however, does not necessarily signify that the degree of corporatism in a country cannot contribute to understanding the way politics works in consociational political systems, for instance, in public policy formation. The extent to which this is indeed the case is essential to the argument of Lijphart and Crepaz. Let us, therefore, inspect in more detail the empirical relationship as established by them. See Figure 1, where the scatterplot of the bivariate relationship between consensus democracy and corporatism is reported.

It appears that corporatism and consensus democracy are not overlapping categories in reality in most of the countries under review. It should be noted in passing that the strength of the correlation ($r = 0.57$) is boosted because Lijphart and Crepaz adapted the original consensus democracy scale used in Democracies. Austria and Germany are now represented with predominantly oversized cabinets instead of minimal winning cabinets. The original scale in Democracies would have produced a lower correlation coefficient.

---
10 Braun, Grenzen Politischer Regulierung; Pennings, ‘Changes in Welfare Statism’.
Fig. 1. Scatterplot of corporatism against consensus democracy

Note: A black dot denotes an ‘outlier’ affecting the statistical relationship; the size of that dot indicates its relative deviance.

As the plot shows, important outliers are Austria, Sweden and Norway (being highly corporatist but not typically consociational), as well as Italy, which is hardly consociational and not corporatist at all. It does not come as a big surprise that the Anglo-Saxon polities are neither ‘consensual’ nor ‘corporatist’, but can be characterized as ‘adversarial’ and ‘pluralist’. Finally, one should also keep in mind that the location of the outliers Austria and Italy, being symmetrically aligned on either side of the regression line, also strengthens the statistical outcome of the correlation coefficient. All in all, looking at the comparative evidence and in particular the actual mapping of the cases involved, we find – in addition to the objections and criticisms detailed above – that the central relationship is less robust and overlapping than is claimed by Lijphart and Crepaz. In our view, the structural affinity suggested by the authors may be there, but instead of taking a ‘short cut’ by examining the direct relationship between the two categories, we suggest that one should investigate those institutional categories which make up part of both composite indices and occur simultaneously within the polities under review. To this we shall turn now.
CORPORATISM, ACTORS AND INSTITUTIONS

If corporatism and consensus democracy were in fact and in theory two sides of the same coin, then it might be expected that the same political actors and institutions would have a bearing on these modes of conflict regulation where they occur together.

Lijphart and Crepaz found that if the dominant tendency in government is ‘leftish’, it has a strong influence on corporatism: when social democratic influence on government increases, the degree of corporatism increases (p. 243). The complexity of the government and parliament variable (indicating the combined relative size of parties in parliament and government)\(^{12}\) even has, as Lijphart and Crepaz report themselves, more effect on corporatism than the consensus democracy variable \((r_s = 0.62)\). It is striking that the composite corporatism index loads highly on the complex of government and parliament, but consensus democracy does not \((r_s = 0.21)\). This strengthens our argument that corporatism and consensus democracy measure quite different modes of decision making. Although, corporatism is indeed more likely to be found in countries with a relatively leftist complexion of government and parliament (the Netherlands being a significant outlier), we must be aware that this relation is not a static one, nor is it structurally related to features of the political systems under review.

Examining the variable complexion of government and parliament in a longitudinal perspective, we see a dramatic shift in relationships for the periods 1965–73 and 1974–80, on one hand, and the period 1981–88, on the other hand (Table 2). In the period after 1980 the strength of this relationship has diminished significantly. Although Lijphart and Crepaz only studied the period up to 1980, our findings show the importance of seeing corporatism in a longitudinal perspective, which allows for a dynamic interpretation.

Consensus democracy relates strongly to cabinet duration, but corporatism does not. This pattern is easy to understand if one realizes that consensus democracy is conceptually linked to the alternation between types of governments and their duration, but corporatism is not. As the duration of cabinets in several consociational democracies (Switzerland, Belgium) is relatively short, the relationship between duration and consociationalism tends to be negative.

Whereas corporatism and consensus democracy relate differently to complexion of government and cabinet duration, they are both highly correlated with the party system (as adopted from von Beyme).\(^{13}\) The strong correlation means that both corporatism and consensus democracy are common in countries that can be characterized as moderately pluralist. When we compare the plot of consensus democracy against party system (Figure 2) with the plot of corporatism against party system (Figure 3), we see that, although both correlations are high, the location of the countries varies in the moderate pluralist section of the plot and is stable in the two party section of the plot. This implies that both corporatism and consensus democracy are a ‘moderate pluralist’ phenomenon. However, there are still considerable differences in the degree of corporatism and consensus democracy among the moderate pluralist countries. When we look at the plot

\(^{12}\) The relative size of parties in parliament and government is scored from 1 = right-wing dominance to 5 = left-wing dominance (1945–90); as measured by Manfred G. Schmidt, *Die Westlichen Länder*, Vol. 3 of *Lexikon der Politik* (Munich: C. H. Beck, 1992), Table 32.

\(^{13}\) We have scored von Beyme’s classification as follows: 1 = two-party system; 2 = polarized pluralist with more extreme parties; 3 = polarized with centre parties; 4 = moderate pluralist with centre parties; 5 = moderate pluralist with more extreme parties. See Klaus von Beyme, *Political Parties in Western Democracies* (Aldershot: Gower, 1985), p. 264.
<table>
<thead>
<tr>
<th></th>
<th>DUR4570</th>
<th>DUR7090</th>
<th>DURATION</th>
<th>PARTYSYS</th>
<th>GAPS6571</th>
<th>GAPS7481</th>
<th>GAPS8290</th>
<th>GAPS4590</th>
</tr>
</thead>
<tbody>
<tr>
<td>CORPORAL</td>
<td>-0.07</td>
<td>-0.09</td>
<td>-0.08</td>
<td>0.85</td>
<td>0.55</td>
<td>0.76</td>
<td>0.27</td>
<td>0.62</td>
</tr>
<tr>
<td>CONSENS</td>
<td>-0.67</td>
<td>-0.74</td>
<td>-0.72</td>
<td>0.63</td>
<td>0.29</td>
<td>0.32</td>
<td>0.14</td>
<td>0.21</td>
</tr>
</tbody>
</table>

Fig. 2. Plot of consensus democracy against party system, 1945–90
Note: $r_s = 0.67$.

Fig. 3. Plot of corporatism against party system, 1945–90
Note: $r_s = 0.83$.

of party system against the complexion of government and parliament (Figure 4) we see that multiparty systems tend to be more left-inclined than two-party systems. But at the same time we are confronted with the paradoxical situation that the outliers are both the typical consociational countries and their counterparts: the two-party systems. This
Fig. 4. Plot of complextion of government and parliament with party system (1945–90)

Note: $r_s = 0.47$.

means that consensus democracies are not as left-inclined as could be expected on the basis of their multiparty system. If corporatism is strengthened by a left complextion of government and parliament, then the consociational countries are not the natural home base of corporatism!

We conclude, therefore, that the strong correlations reported above certainly do not imply that ‘consociational’ party systems are always and automatically corporatist, and thus corporatism should not be considered as an intrinsic component of consensus democracy.

Finally, we examine in Table 3 the relationships of corporatism and consensus democracy with the nine basic characteristics of consensus democracies as developed by Lijphart in *Democracies* (pp. 212–14), in order to examine the extent to which there is a structural affinity between their institutional rule-configurations that can be empirically sustained.

The results in Table 3 support our view that corporatism relates differently to the basic characteristics of consensus democracies, especially regarding executive dominance (cabinet duration), minimal winning cabinets and the effective number of parties. Moreover, the twelve corporatism scales that were used to construct the composite index appear to have quite different scores and thus have a different meaning for the working of the various political systems under review.

**Conclusions**

Corporatism and consensus democracy are different concepts. There is neither a theoretical nor an empirical reason to add corporatism to the characteristics of consociationalism. When we look at the regression of the nine features of
<table>
<thead>
<tr>
<th></th>
<th>CABDUR</th>
<th>ELECDIS</th>
<th>CONFLEX</th>
<th>ISSUEDIM</th>
<th>MINWIN</th>
<th>NPARTIES</th>
<th>UNICAMER</th>
<th>REFEREND</th>
<th>GOVTAX</th>
</tr>
</thead>
<tbody>
<tr>
<td>CORPORAL</td>
<td>-0.13</td>
<td>-0.66</td>
<td>-0.20</td>
<td>-0.49</td>
<td>-0.28</td>
<td>-0.45</td>
<td>0.29</td>
<td>0.10</td>
<td>-0.18</td>
</tr>
<tr>
<td>CONSENS</td>
<td>-0.73</td>
<td>-0.62</td>
<td>-0.30</td>
<td>-0.76</td>
<td>-0.84</td>
<td>-0.93</td>
<td>-0.05</td>
<td>-0.10</td>
<td>-0.01</td>
</tr>
</tbody>
</table>

Note: The nine characteristics are taken from Lijphart, *Democracies*, pp. 212-14. CABDUR = the average cabinet durability; ELECDIS = electoral disproportionality; CONFLEX = constitutional flexibility; ISSUEDIM = the number of issue dimensions; MINWIN = Minimal Winning Cabinets; NPARTIES = the effective number of parties; UNICAMER = unicameralism; REFEREND = referendums; GOVTAX = the central government’s share of tax receipts.
consensus democracies plus the composite scale of corporatism we can determine the relative weight of corporatism in explaining the variance of consociationalism (Table 4).

Although the bi-variate relationship between consensus democracy and corporatism is rather strong ($r_s = 0.64$), the relative weight of corporatism is so small that it does not fit in the model. If compared to other factors, corporatism explains a negligible part in the variance of the features of consensus democracy as defined by Lijphart. Both concepts should be analysed independently, together with other political variables, in order to assess the extent to which each does indeed influence democratic decision making. We have demonstrated that both concepts are strongly intertwined with the type and the organization of the political system and also strongly related to the complexion of government and parliament. Although the concepts are apparently similar, they do not have the same meaning and can be distinguished empirically in relation to the features of liberal democratic decision making.

**Linking and Integrating Corporatism and Consensus Democracy: Theory, Concepts and Evidence**

**MARKUS M. L. CREPAZ AND AREND LIJPHART**

Hans Keman’s and Paul Pennings’ critique (‘Managing Political and Societal Conflict in Democracies: Do Consensus and Corporatism Matter?’, this *Journal*, preceding pages) of our attempt to link corporatism and consensus democracy falls essentially into three parts. Their first criticism deals with the way we measured corporatism. They reject our ‘composite’ approach on the basis that different experts have different conceptual understandings of corporatism. Hence, they argue, it is unwarranted to add up these various scores. Secondly, they claim that our central relationship between consensus