

# Agenda Control in the German Bundestag, 1987-2002<sup>1</sup>

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## **Introduction**

Governing coalitions in parliamentary democracies are famous for their voting discipline. In the ideal-type parliamentary regime, individual MPs rarely dissent from their party's position, coalition partners rarely disagree publicly, and the government's programme thus proceeds through the assembly on the strength of the coalition's numerical superiority—simply outvoting the opposition at every turn.<sup>3</sup>

Iron discipline, however, is not a natural phenomenon.<sup>4</sup> The component parties in multiparty coalitions do not agree on *all possible* issues; they merely agree on all those

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<sup>3</sup> See Bowler, Farrel and Katz 1999, Morgenstern 2004, Hix, Noury and Roland 2002, Carey 2003, and Morgenstern and Nacif 2002, Damgaard 1995, Ozbudun 1970.

<sup>4</sup> The roots of voting discipline have been traced to the nomination and electoral process by which candidates are selected to serve in the legislature (Cox 1997, Carey and Shugart

issues that are actually considered in plenary sessions of the assembly.<sup>5</sup> Thus, the high levels of coalitional discipline observed in roll call votes are as much a function of governmental agenda control—specifically, the ability of the coalition to prevent bills that would split its members apart from being voted on the floor—as they are of the carrots and sticks that governing parties use to whip their members into line.

In some polities, the government’s ability to control the legislative agenda is taken for granted by all knowledgeable observers and has clear institutional sources. This is the case, for example, in France’s Fifth Republic (cf. Huber 1996, Huber and Shipan ND)

In other cases, however, the institutional basis of governmental agenda power is much less clear. Döring (1995), for example, assesses the extent to which governments in 14 West European countries have clear institutional control of the agenda, and finds quite a range, from “the government alone determines the plenary agenda” (Ireland and the U.K.) to “the assembly itself determines the agenda” (the Netherlands). In Döring’s classification, Germany falls between these extremes.

In this paper, we explore agenda-setting in Germany, a case in which the government’s institutional control of the agenda might be questioned, given the proportional allocation of committee chairs and the tradition of seeking broad consensus in the Council of Elders (the main agenda-setting institution in the Bundestag). We first argue that, although the institutional deck is not stacked in favor of Germany’s governing coalitions to the extent that it is elsewhere, they nonetheless should in principle be able to

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1995 ) and the strategic use of votes of no confidence (Ström and Swindle 2000, Smith 1996, Lupia and Ström 1995).

<sup>5</sup> Recent studies of backbench rebellion (e.g., Benedetto and Hix 2005), show that there is indeed diversity of opinion within the majority party.

control the agenda through the specialized organs set up for this purpose (primarily the Council of Elders). We then show that the actual plenary agenda in Germany is consistent with the notion that the governing coalition sets the agenda, with little more constraint from the Bundestag than might be expected or, in fact, observed in other parliamentary cases.

### **Agenda Control and Legislative Procedure in the Bundestag<sup>6</sup>**

The principles that the floor leaders follow in shaping the agenda reflect the political culture of the Bundestag. A parliament that does its work in its committees and Fraktionen is reluctant to extend the time devoted to plenary sessions. Within the resulting agreement on the available time, all parties' preferences are respected. Compromises are sought on the sequence of items and the distribution of time. To the extent that party interests conflict on these essentially tactical considerations, the balance between majority and minority rights contained in the formal rules of the chamber sets constraints on how strongly conflicting interests can be pursued (Loewenberg 2003)

As is true for many European democracies, German politics is often thought to be consensual. The German Bundestag allocates committee chairs and other important offices proportionally among all parties, without giving the governing coalition a bonus, as is common in many other systems (Carroll, Cox and Pachón 2004). Moreover, as already noted, the Council of Elders seeks, and usually achieves, a consensus among all

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<sup>6</sup> Details on Bundestag procedure described here are drawn from: Shick, Rupert and Wolfgang Zeh. 1999. *The German Bundestag, Functions and Procedures*. 14th Electoral Term. NDV: Rheinbreitbach.

(or nearly all) parties regarding the plenary agenda. It is rare that parties seek to add items to the plenary agenda and such attempts almost always fail (Loewenberg 2003).

Does the apparent consensus achieved in the Council of Elders constrain the government so that it must avoid bills that the opposition dislikes? Does it imply Rikerian shifting coalitions (Riker 196x), which push bills onto the plenary agenda? In practice, as we shall see, it means neither of these things. The German government appears willing and able to push through legislation that is fiercely opposed by the opposition. Moreover, the only important bills that make it onto the plenary agenda are those supported, not by shifting majority coalitions, but by one particular majority coalition—that composed of the governing parties.

How do governmental parties achieve agenda control given proportional allocation of committee chairs and “consensual” agenda formation? The answer is that governmental parties control the agenda because (1) they hold a majority of seats in all the core working and leadership bodies of the chamber, mainly committees and the Council of Elders; and (2) the Council of Elders does not aim for a consensus on the substance of the bills to be considered in the plenary session but only on the details of how such bills should be debated and voted. The opposition parties accept that the majority should be allowed to control the substantive content of the bills that the government sends to the Bundestag.<sup>7</sup> Their demands only concern their ability to criticize such proposals effectively.

Let us consider the two points just made at greater length. The core working structures in the Bundestag—putting aside the party fractions (Fraktionen)—are the

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<sup>7</sup> Challenges or amendment to the agenda set by the Council of Elders is decided by majority vote in the Bundestag.

committees. The core leadership in the Bundestag is represented by the president and its Vice-presidents or deputies (together they form the Presidium), the Council of Elders, and the Secretaries.

Committees usually parallel the structure of ministries, meaning that for each ministry there is normally a corresponding committee. The number of members from each parliamentary group in a committee is proportional to the size of the parliamentary group, and the fraction has discretion over which members will sit on each committee, depending on members' requests. Thus as long as governmental parties have a majority in the Bundestag (which is always the case, there have been no minority governments), they have a majority on each committee. Committee chairs are allocated proportionally among all parties, meaning that the government cannot always count on a sympathetic chair. However, the Bundestag can compel a committee to report on any matters referred to it, within ten weeks (Loewenberg 2003, p. 22). Thus, chairs by themselves cannot block, although they may delay, the progress of legislation.

The president and deputies (vice presidents) conduct the plenary meetings: they call items on the agenda, open and close debates, determine the order of speakers, and resolve procedural issues. The Bundestag elects secretaries (one from the government and another from the opposition) to serve as checks on vote counting and they must concur with the president to validate any vote count.

The Council of Elders manages the internal affairs of the Bundestag. Some of the most important agenda-setting functions of the Council are: deciding the agenda for the coming year, deciding the distribution of committee chairs and deputy chairs among

fractions<sup>8</sup>, and importantly deciding the plenary agenda for each coming week (the items of business to be considered, whether there will be a debate, the length and structure of such a debate). The Council also makes decisions by majority on a range of major issues, including Bundestag budget estimates, and internal issues having to do with the allocation of parliamentary resources. The government has a majority in this leadership body, just as it has a majority on committees and all other bodies of the chamber.<sup>9</sup>

What of the long tradition of seeking consensus in the Council of Elders (cf. Loewenberg 2003)? Were this an ironclad rule, it might imply that only bills approved by all parties could reach the plenary agenda. This would seriously undermine the government's positive agenda power (while leaving its negative agenda power unimpaired). Our reading of the matter is that difficulty in achieving *substantive* consensus on the merits of bills brought forward by the government in the early 1950s led the Council to issue an interpretation in 1955, allowing items to be added to the floor agenda by majority vote on the floor (Loewenberg 2003, p. 22). This ruling, we believe, made it clear that the government *could* get its way, so long as it was internally united, even without a consensus in the Council of Elders. It therefore reduced the scope of bargaining in the Council. Opposition parties no longer sought to veto or delay government bills but merely to ensure that they had a fair chance to criticize those bills. Consensus in the Council thus in no way implies substantive, but procedural consensus, alone.

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<sup>8</sup> It is up to the vote of the Bundestag to decide on the number, size and specific composition of the committees (which is proportional to the size of parliamentary groups).

<sup>9</sup> The Council of Elders is composed of the president, the deputies and 23 members of the Bundestag appointed by the parliamentary groups in proportion to their size. These include all the parliamentary secretaries or whips of each parliamentary group.

Given this reading of the German rule book, we believe that Germany should satisfy our procedural cartel thesis. In the next section, we explain this thesis, and we then proceed to test it in the German context, in the later sections of the paper.

One final question of increasing concern in Germany is the effect of divided government. Many politicians and scholars in Germany believe that the bicameral German parliament is causing gridlock reminiscent of the kind found commonly in the US.<sup>10</sup> This problem is especially acute when an opposition party, or parties, hold a

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<sup>10</sup> The founders of the German Constitution never intended for the Bundesrat to be organized according to partisan lines, but as a federal structure representing the interests of the different regions. However, whereas regional politics remains the most important criterion for Bundesrat decision-making, partisan politics has come to play an important role in the activity of the upper house. Since the Bundesrat's consent on bills passed by the Bundestag is required in many policy areas, when the two legislative majorities are incompatible, the opposition in the Bundesrat can veto legislation in hope of extracting policy concessions (an absolute majority vote of the Bundesrat is required for about 60 percent of all legislation).

In the 1970's and 1980's, the partisan lines in the Bundesrat were quite clear, as few Länd delegations were mixed coalitions of government and opposition parties. But by the 1990's, mixed Länd coalitions have become a permanent feature of German federalism (Sturm 2001). Because the Länder cast their weighted votes as a bloc (Art. 51), the federal government is constrained by the fact that it cannot buy off the votes of individual members. Instead, it must convince certain Länder to support its bill. This can be achieved by rewarding these Länder with distributive benefits (see divided government stories).

Scholars criticize the partisanship of the upper house and many regard divided government as a basic flaw of the German system. *The question of the effects of divided government is whether the use of vetoes leads to gridlock, or to consensus politics.*

First, the use of veto politics can lead to gridlock. During divided government we see the use of veto politics – when the opposition in the upper house can block bills by vetoing them. If the opposition holds 2/3 in the upper house, its use of veto politics is very powerful, because the Bundestag needs to match the Bundesrat veto by overriding it with a 2/3 majority (König, Blume and Luig 2003). Veto politics can lead to political immobilism (Lehmbruch 1998, Scharpf 1988).

Second, situations of divided government can lead to compromise and consensus (Sturm 2000, 2001). The conference committee acts as a consensus arena, trying to solve differences between the two chambers. If the opposition has a majority in the upper house and thus a majority on the committee, it has bargaining power and it might seek a midway compromise with the government. For instance from 1972 to 1980, 17 out of 34

majority of seats in the Bundesrat, thus, perhaps, reducing or even eliminating the government's control of the agenda. We shall show that divided government has a significant, yet small, effect on the government's ability to control the agenda and make policy.

### **The Procedural Cartel Thesis**

In all national assemblies of which we are aware, there are certain offices to which special agenda powers attach. Only the Speaker of the U.S. House of Representatives, for example, can grant recognition for motions to suspend the rules. Only Ministers of the Crown can propose new taxes in the U.K. Only the Brazilian president can unilaterally force legislative action via the presidential urgency procedure (Amorim-Neto, Cox and McCubbins 2003). Only the German Council of Elders can advise the President regarding the plenary agenda.

### **Agenda Cartels**

We define an agenda cartel as a set of agents possessing two key properties. First, they collectively hold a controlling share of the agenda-setting offices in the assembly. Thus, just as an economic cartel collectively monopolizes an economic resource, such as steel, so an agenda cartel collectively monopolizes a legislative resource, agenda-setting offices. Second, the cartel establishes a procedure for scheduling proposals for plenary debate and vote. Whether decentralized or centralized, formal or informal, this procedure

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Bundesrat vetoes were overcome with the use of conference committee work. But with the new mixed Länd delegations represented on the conference committee, and the inclusion of new Länder and parties with post-unification, bargaining and compromise on the conference committee may be harder. Between 1990 and 1998, the government rarely had a majority on the conference committee, but still 53 out of 80 Bundesrat vetoes were overcome through compromise (Sturm 2001).

amounts to investing  $k$  groups within the cartel,  $C_1, \dots, C_k$ , with vetoes over the placement of proposals upon the plenary agenda.

Two subspecies of agenda cartel are worth noting, by way of illustration. First, in parliamentary systems, it is often said that each *pivotal* party in a multi-party majority coalition wields an agenda veto.<sup>11</sup> In this case, the groups  $C_1, \dots, C_k$  that wield agenda vetoes correspond to the pivotal parties in government. We call this a *parliamentary* agenda cartel. Second, Cox and McCubbins (2002, 2005) suggest that any majority of the majority party can veto the placement of items on the floor agenda in the U.S. House of Representatives. In this paper, it is the first subspecies of agenda cartel—the parliamentary agenda cartel—that we will model.

When a parliamentary agenda cartel exists, it is as if the legislative agenda were set as follows. Whoever wishes may introduce bills. In order for a bill to advance to the plenary session under the current government, however, it must be acceptable to each veto player,  $C_1, \dots, C_k$ .

There are two ways to model these unwritten partisan vetoes. In the simplest model, the vetoes are not subject to override. One ignores, in other words, the possibility that  $C_k$ 's coalition partners might send a bill to the floor even after  $C_k$  has “vetoed” it, perhaps in the belief that  $C_k$  is bluffing and will not really bring down the government over this issue. In this model, the veto players should never lose (i.e., be rolled, that is, have an unwanted policy change forced upon them). In various more complex models, the possibility of “overriding” vetoes would be brought more fully into view, veto players

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<sup>11</sup> By a pivotal party we mean one whose withdrawal would deprive the government of a majority in the assembly. This is the conventional definition in the literature on government formation. See, e.g., Laver and Schofield (1990) or Laver and Shepsle (199x).

could in some cases lose, but their vetoes would still be valuable.<sup>12</sup> For our purposes here we will adopt the simpler model, which exaggerates the power of the vetoes created in a parliamentary agenda cartel, as our purpose here is to underline the primary issue (there are vetoes), not the secondary issue (that the vetoes might be overridden).

### **The Cartel Thesis**

The procedural cartel thesis is that, if a majority government forms (either as a single party or a coalition of parties), then it will also constitute an agenda cartel (Amorim-Neto, Cox and McCubbins 2003, Cox and McCubbins 2002, 2005). For present purposes, we advance this thesis simply as an empirical generalization to be tested, rather than deriving it as a conclusion from more primitive assumptions. This thesis is thus similar to the observation that, if a multi-party government forms in a parliamentary system, then each party's share of portfolios will closely reflect its share of seats in the assembly (Browne and Franklin 1973, Budge and Keman 1990, Ch. 4, Laver and Schofield 1990, Ch. 7, Schofield and Laver 1985).

Both the claim that agenda vetoes are distributed to each pivotal party (the parliamentary cartel thesis) and the claim that portfolios in parliamentary systems are distributed proportionally to seat shares characterize the nature of the government bargaining outcomes that emerge in equilibrium. Theoretical models of the government formation process should then accommodate these empirical regularities, to the extent that they are empirically validated. A primary purpose of this paper is to see how well the procedural cartel thesis applies to the case of Germany.

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<sup>12</sup> As in the US House of Representatives where committees may, at some cost, be discharged. See Cox and McCubbins (2005) and Cox, McCubbins and Shankster (2005 forthcoming) for a model and results on costly discharge in the US Congress.

### **Testing the procedural cartel thesis**

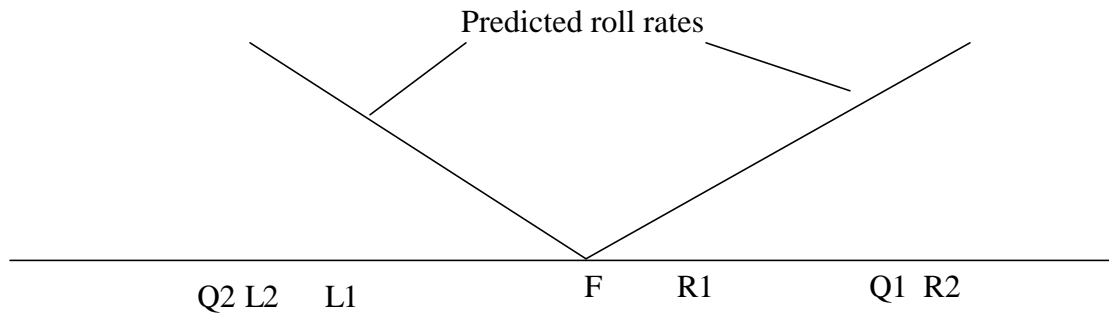
Operationally, if a majority of a party votes against a bill that nonetheless passes, we say that the party has been *rolled*. Think of a legislative train leaving the station and a party that has tried to stop it—but been run over. If a party wields a veto over the placement of bills on the plenary agenda, it should *never* be rolled.

What if there is no agenda cartel and no party wields a veto? If we assume that all parties can be placed along a traditional left-right scale, so that successful bills necessarily propose to move policy toward the median legislator's ideal point (Black, Downs), then we have a very simple expectation: *The median party is never rolled, while roll rates increase monotonically both to the left and to the right of the median.*

The intuition behind this result is straightforward. The median party cannot be rolled because it is not possible to form a majority that wants to move policy away from the median in a unidimensional model. That roll rates increase to either side of the median,  $F$ , can be illustrated by imagining that a particular status quo policy,  $Q1$ , lies between two right-wing parties' median ideal points and that a bill proposing to move policy leftward is passed (see Figure 1). The more extreme party ( $R2$  in Figure 1) will necessarily vote against the bill, as the bill will move policy farther away from  $R2$ 's median ideal point; hence, it will be rolled. The more moderate party ( $R1$  in Figure 1) may in fact vote for the bill, if it is closer to the party's median ideal point,  $R1$ , than is the status quo. In this case (pictured in Figure 1), the moderate party is not rolled.

Generalizing this example, one can show that the roll rate of the more extreme party must be at least as high as that of the more moderate party—and this is true for parties and policies to the left of the median party (e.g., for parties  $L1$  and  $L2$ , and status quo,  $Q2$ ) as well.

Figure 1: The Floor Agenda Model (Median Voter Theorem) and Roll Rates



Thus, we have a general test for the *absence* of an agenda cartel. If there is a clear V-shaped pattern in party rolls, viewed across the left-right spectrum, then there cannot be an agenda cartel.<sup>13</sup>

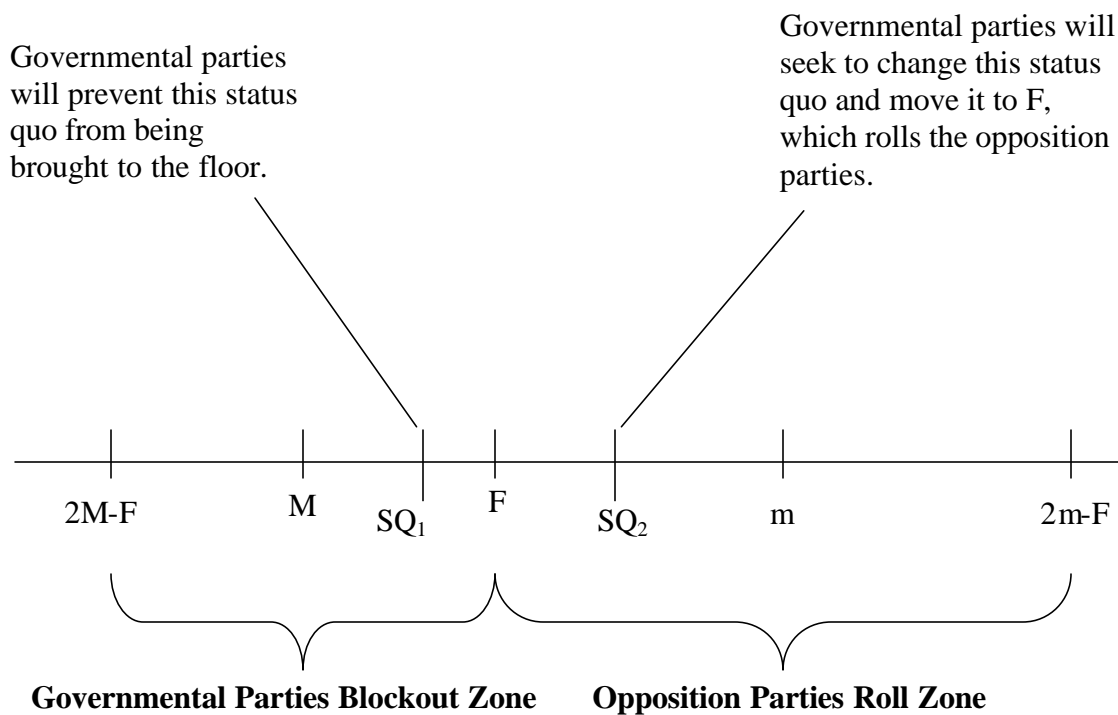
But, if governmental parties have positive agenda control, we should see policy consistently moving in the direction of the governmental parties and away from opposition parties, and not simply toward the median voter. And if governmental parties have negative agenda setting powers, we should not see legislation reaching the floor that the governmental parties opposes unsuccessfully— that is, we should not see unwanted legislation passing.

Consider the unidimensional policy space in Figure 2. In Figure 2 we simplify the analysis and examine a one-dimensional policy space with only two parties, M, the majority or government party and m the minority or opposition party (the labels for the other parties are suppressed for simplicity). Specifically, M represents the median of the

<sup>13</sup>. A V-shaped pattern in party rolls clearly precludes left-connected and right-connected cartels. In the case of left-connected or right-connected cartels, the pattern would more resemble a check or the Nike “Swoosh.” But what if a cartel consists only of centrist parties? In this case, we would expect all the parties in the cartel to have near-zero roll rates, whereas in the absence of a cartel only the median party would have such a roll rate. Thus, we would expect a U-shaped pattern.

governing coalition, and  $m$ , represents the median of an opposition party. The median voter in the assembly as a whole is represented by  $F$ . Without loss of generality, we take  $M$  to be to the left of  $F$  in Figure 2, and  $m$  to be to the right of  $F$ . Note that when the government has a majority of seats,  $F$  will be within the government coalition.

**Figure 2: Agenda Control Model for the German Bundestag**



F = Median party or floor median

M = Governmental coalition's median

m = Opposition parties' median

2M-F = Governmental coalition's median indifference point with respect to floor median or median party

2m-F = Opposition parties' median indifference point with respect to floor median or median party

The Cartel Agenda Model predicts that the government will only schedule for a vote those bills that ultimately (after any floor amendments) move policy closer to the majority/government median, M, relative to the status quo (SQ<sub>1</sub> or SQ<sub>2</sub> in Figure 2). That is, if the status quo is closer to M than it is to F, then no bill to change policy will be

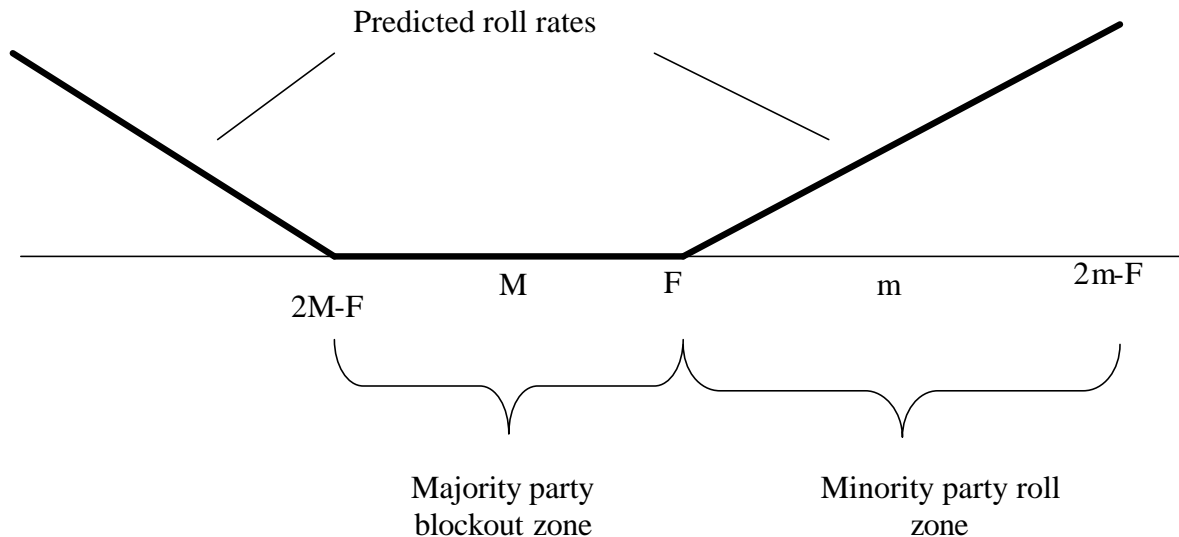
presented to the chamber by the government and thus, as shown in Figure 2, all proposals to change status quo points lying in the set  $[2M-F, F]$  will be blocked by the government. In contrast, the government *will* schedule bills to change status quo policies when  $F$  is closer to  $M$  than is  $SQ$  (that is everything that is outside the blackout zone  $[2M-F, F]$ ). Moreover, all bills proposed by the government will pass on the floor after (and because) they represent the floor median  $F$ .

In our model, the government/majority will never be rolled.<sup>14</sup> The opposition (or minority) party, by contrast, will be rolled—every time  $F$  lies to the right of status quo and the status quo is less than  $2m-F$ , what we labeled the opposition roll zone. Thus, bills to change status quos such as  $SQ_2$  will be brought to the floor and will pass and a majority of the opposition will vote against it and, in turn, the opposition will be rolled. This logic leads to the roll rates described in Figure 3.

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<sup>14</sup> We should hasten to note that these “the majority party never gets rolled” predictions are similar in analytic status to other predictions drawn from complete information models, in which actions are costless, such as “there is never any war” or “there are never any vetoes” (cf. Cameron 2000). These sorts of results should be viewed as baselines illustrating the extreme case of zero uncertainty and no costs to acting. Add a little uncertainty into these models, or some costs to acting, and it is well known that one begins to get “mistakes”—in the present context, mistakes in which the agenda setter schedules a bill that a majority of the majority party dislikes (because, for example, the status quo point turns out not to be where it was most likely to be), or tradeoffs between getting the policy one wants and cost savings from reserving power. We explore a model with costly action in Chapter 6 of *Setting the Agenda* (2005) and one with incomplete information in Chapters 8 and 9 of that book, showing that the main results derived here are largely preserved.

Figure 3: Cartel Agenda Model and Roll Rates



Because the government does not allow any bill that would change the status quo where  $M$  (the median member of the governing coalition) favors the status quo to  $F$  (the floor median) onto the agenda (see Figure 3) the distance between  $M$  and  $F$  should not affect the government's roll rate (decreases in  $M$  merely stretch the blackout zone leftward and the government will still blockout all proposals to change status quos within  $[2M-F, F]$ ). In contrast, the opposition party's roll rate will be positively related to the distance between  $m$  and  $F$  (as  $m$  increases,  $2m-F$  increases, stretching the minority party roll zone; thus, as long as the distribution of status quo points is nowhere zero, increases in the size of this zone will increase opposition/minority rolls).

By contrast consider the predictions of the median voter model (called the Floor Agenda Model by Cox and McCubbins 2002, 2005). In the median voter model, a

majority of the majority party will vote against a bill on final passage (but will lose) if and only if the status quo ( $SQ$ ) is closer to the majority party median ( $M$ ) than is the floor median ( $F$ ). This implies that in the floor agenda model the distance between  $M$  and  $F$  will be positively related to the roll rate for parties within the governing coalition. Note that similar results hold for the minority party. Just substitute “minority party” for “majority party” and “ $m$ ” for “ $M$ ” in the above claims.

We also differentiate between opposition parties within the opposition roll zone. Parties that are closer to the agenda setter on the left-right ideological spectrum could potentially dissent less with the agenda setter’s position (as shown in Figure 1) and will vote more alike the agenda setter (the governmental parties, that is). Thus, the further away an opposition party is from the governmental coalition, the more likely it is that the party will vote differently from the coalition parties in government and the more likely that it will get rolled. As distance from  $F$  – the position of the median voter who is also part of the most interior governmental party – increases, so should opposition parties’ roll rates.

Lastly, to see how agenda-setting power can affect legislative outcomes, imagine a newly elected legislature and the set of existing government policies (we could label each one  $SQ_1, SQ_2, \dots, SQ_n$  as in Figure 2) that it faces. Each of these policies could in principle be adjusted, sliding them further to the left or right (e.g., less stringent or more stringent regulation of abortion). The newly elected members and their parties have opinions regarding how each of the  $n$  policies should ideally be positioned along their respective left-right dimensions. Denote the center of legislative opinion (the median

ideal position) regarding each policy by  $F_1, \dots, F_n$  for the  $n$  policies (one such policy is depicted in Figure 2).

Note that one can divide the existing government policies into two main categories, depending on the relationship between the legislative median ( $F_j$ ) and the status quo ( $SQ_j$ ). In one category are policies that lie to the left of the current center of legislative opinion ( $SQ_j < F_j$ ). If the legislature votes on a bill to change such a policy from the status quo (e.g.,  $SQ_1$  in Figure 2) to the floor median (e.g.,  $F$  in Figure 2), the result will be a *rightward* policy move. In the second main category are policies that lie to the right of the current center of legislative opinion ( $SQ_j > F_j$ ). If the legislature votes on a bill to change such a policy from the status quo (e.g.,  $SQ_2$  in Figure 2) to the floor median ( $F$ ), the result will be a *leftward* policy move.

It follows from our analysis of blackout and roll zones that, for leftist governments, such as depicted in Figure 2, most policy moves will be leftward moves. That is most policy changes will change status quos such as  $SQ_2$  to  $F$ . Rightward policy moves within the blackout zone will be vetoed by the government. Some rightward policy moves will be possible, changing status quos to the left of  $2M-F$  in Figure 2 to  $F$ . In this case we expect large, if not unanimous coalitions to be in favor of the move (as it would make both the government and opposition parties better off to make such a policy change). Thus, the only exceptions to the rule that leftist governments will move policy leftward should be combined with large, if not unanimous, votes. Thus, unless the distribution of status quos is unfortunate, most policy moves for a leftist policy should be leftward or nearly unanimous. Similarly, most policy moves for a rightist party should be

rightward or nearly unanimous.<sup>15</sup> Notice that if the Median Voter Theorem holds, without any agenda control, policy moves will come from both directions and will each evenly divide the legislature.

### **Hypotheses**

Cox and McCubbins (2002, 2005) derive the following testable implications from the Cartel Agenda Model:

*H1) under complete and perfect information, and with costless gatekeeping, the roll rate of governmental parties will be zero.*

*H2) the roll rate of opposition parties should be higher than the roll rate of governmental parties, all else constant.*

The extent of the difference between governing and opposition parties depends on the distribution of status quo points. If there are a great many issues for which the status quo lies within the opposition roll zone,  $[F, 2m-F]$  in Figure 3, then the opposition parties will be rolled frequently. If there are few status quos in this zone, in contrast, then the opposition's roll rate could be very low. Assuming, however, that there are always some status quo points that fall in the opposition roll zone, the opposition will have a positive roll rate (while the government will have a nil roll rate, per H1).

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<sup>15</sup> This is indeed, precisely the pattern Cox and McCubbins (2005, Chapter 9) found for the US House.

*H3) the roll rates of opposition parties should increase the farther is their median ideal point from the floor median. That is, the greater is  $|m-F|$ , the greater an opposition party's roll rate will be, all else constant.*

*H4) Divided government should decrease the roll rates of opposition parties when their party holds a veto in the other chamber (such as when they are in the majority in the other chamber), all else constant.*

In essence, if the opposition party, with median ideal point for example at  $m$ , holds a veto somewhere in the policy process, such as an ex post veto after the three stages of the policy process described above, it can use its gatekeeping power to stop proposals that it objects to, and with that, stop proposals that would roll the party. Thus, all measures to change status quo points in the opposition roll zone,  $|F, 2m-F|$  in Figure 3, which would, under unified government, roll the opposition party, will now be blocked by the ex post veto, exercised in the other chamber. The new blackout zone, created by the dual veto system where both the government and opposition parties have vetoes, would extend from  $2M-F$  to  $2m-F$ . By creating this opposition block out zone, all possible policy changes that would have otherwise rolled the opposition will now be blocked. As a consequence, the opposition will be rolled less frequently (indeed, they may not be rolled at all). Another way this may work is if the upper chamber holds only a dilatory or suspensory veto, the majority party there can use it to delay the government's enactments and can, by threatening to delay, cause the government to compromise, somewhat, in its proposals. In this way, the majority party in the upper house can reduce the offensiveness of some of the government's proposals and by so doing reduce the roll rates of their comrades in the lower house.

*H5) divided government should, all else constant, increase the roll rates of governmental parties.*

If the majority party in one chamber of a bicameral legislature can place items on the agenda of the other chamber, then divided government should lead to a loss of agenda control in the other chamber and with that change, proposals that would otherwise be blocked by the government or majority in the other chamber will get some plenary time and could roll the majority or government parties. This is equivalent to a change in the structure of the first stage of the game described in the earlier section, whereby the government or majority parties no longer have a monopoly on the agenda, rather, some fraction is controlled by another party. Or, the opposition may use its power in the other chamber, either through gatekeeping or proposing, to create a bargain, or logroll, with the majority or governmental parties. This bargain may include placing items in the agenda that are disfavored by the majority or government party and that end up rolling the government or majority parties.

*H6) we should see more unanimous or nearly unanimous votes during divided government, all else constant.*

This follows from an analysis of the dual veto system just discussed. If consensus politics is the mechanism that enables opposition parties to extract policy concessions because of the threat of veto politics, we should see more unanimous votes during divided government.

*H7) During a period of divided government if the opposition parties, through their control of the other chamber, can use the Mediation Committee to obtain policy concessions, then we should see Mediation Committee reports that pass unanimously.*

This follows from the previous hypothesis and in the prior discussion of the Mediation Committee and its functions in the German Parliament.

*H8) Policy should move toward the government parties' median and away from the median of the opposition parties, all else constant. Changes in government will, all else constant, change the direction of policy movement.*

To show this result we first divide the existing government policies into two main categories, depending on the relationship between the legislative median ( $F$ ) and the status quo ( $SQ$ ). In one category are policies that lie to the left of the current center of legislative opinion ( $SQ < F$ ). If the legislature votes on a bill to change such a policy from the status quo (e.g.,  $SQ_1$  in Figure 2) to the floor median ( $F$ ), the result will be a *rightward* policy move. In the second main category are policies that lie to the right of the current center of congressional opinion ( $SQ > F$ ). If the legislature votes on a bill to change such a policy from the status quo (e.g.,  $SQ_2$  in Figure 2) to the floor median ( $F$ ), the result will be a *leftward* policy move.

Now suppose in this simple example that government (with ideal point at  $M$ ) can block bills that propose rightward policy moves from reaching votes on the floor, thereby killing them without the necessity of a clear floor vote on the bill itself. To the extent that they are successful, the government will produce a legislative agenda on which *every bill actually considered on the floor proposes to move policy leftward*. As a natural

consequence, a majority of the members of the governmental parties will support every bill.

This example, we hasten to add, overstates what our theory actually predicts (for example, there are rightward policy moves that even the government in our example would like to make and, similarly, leftward policy moves that even the opposition in our example would support, when the status quo is extreme enough). Nonetheless, the discussion so far suffices to illustrate the potential power of a minimal form of agenda control (just the power to block) and makes clear that our theory does not depend on voting discipline. We can deny both the notion that parties must secure non-median outcomes issue-by-issue in order to matter and the notion that parties must exert discipline over how their members' vote on bills in order to matter.<sup>16</sup> Agenda control alone suffices—if it can be attained—to exert a tremendous influence over policy outcomes.

*H9) divided government should reduce the proportion of proposals that move policy toward the ideal points of the government parties, all else constant.*

This follows from H8.

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<sup>16</sup>. In the example just given, we can assume that every bill actually considered simply moves policy to the legislative median and we can assume that the parties exert nil influence on their members' votes on final passage. Even with these assumptions, the conclusion remains—in the example—that a left-controlled chamber will only be allowed to consider leftward policy moves. Thus, all policy changes actually made will be leftward—a very important policy effect achieved without securing non-median outcomes on any given dimension and without party influence over members' votes on bills. Our theory does require that the majority party is able to control the outcomes of key procedural votes and this may entail influencing their members' behavior on such votes.

## Data

We test these hypotheses using roll call votes recorded<sup>17</sup> in the German Bundestag between 1987 and 2002 for four legislative periods, namely the 11<sup>th</sup> through 14<sup>th</sup> Wahlper (i.e., legislatures). These recorded votes can be found in the German publication *Verhandlungen des Deutschen Bundestages, Stenographische Berichte* – a publication of the German Bundestag equivalent to the Congressional Record in the US.

There were 556 votes during from 1987 to 2002, and of these, 213 were final passages roll call votes on bills and committee recommendations. It is from these final passage votes that we will calculate each party's roll rate and the proportion and direction of policy moves.<sup>18</sup> A roll for party  $j$  on vote  $k$  is defined as:<sup>19</sup>

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<sup>17</sup> Recorded votes take place when a parliamentary group or 31 members request so, and these are usually hot debated issues of major policy.

<sup>18</sup> The assumption being that final passage votes are sincere reflections of preference, as there is no advantage to strategic action at the final stage of the game. Other votes, on amendments, procedure and so forth, may be strategic and thus, we cannot accurately evaluate preferences and thus cannot determine rolls, the direction of policy movements, etc.

<sup>19</sup> When treating parties as unitary actors that make a policy choice with each vote, we consider a party voting against a bill when the modal choice of the party members is “no” – that is, the number of party members that voted no is higher than the number of party members that voted yes and higher than the number of party members that abstained. Simply comparing the number of yeas and nays can be criticized for ignoring instances where a large majority of the party chooses to abstain, because abstaining might be an important strategic choice. By abstaining a party might prevent the necessary support for passage, thus votes where the party abstains and that pass could be possible rolls. We calculated roll rates as well including possible rolls and the results are still consistent with our hypotheses. Adding possible rolls does not change numbers much – it only increases the roll rates of opposition parties that are not in government in the upper house from 0.73 to 0.77 and the roll rates of opposition parties that are in government in the upper house from 0.60 to 0.65. There are no changes to the roll rates of governmental parties – their roll rate is still 0 when they are in government in the Bundesrat and 0.02 when not in government in the Bundesrat. The fact that possible rolls are opposition rolls confirms that fact that these possible rolls are highly likely to be rolls indeed. These are instances where only opposition parties would find it not costly to abstain instead of choosing to vote no – since they know the vote will pass anyway, as the government has a majority, so whether they vote no or abstain does not change the expected outcome. It would not

$Roll_{jk} = 1$  if party  $j$  (or a majority of its members) voted against bill  $k$ , but the bill passed nonetheless; and

$Roll_{jk}=0$  otherwise.

Party  $j$ 's roll rate is just the total number of rolls for party  $j$  summed across all votes  $k$  for a given time period, divided by the total number of votes,  $K$ :

$$\text{Roll Rate}_j = \sum_1^K Roll_{jk} / K$$

In calculating roll rates, and later policy moves, a question arises about the time period to use. Calculating these measures for each Wahlper would seem natural and most of our results are presented on this basis. The problem is, however, that there are frequent Länd elections that take place during most Wahlpers and these elections change the number of seats held by the government and opposition in the upper house. These changes frequently affect whether the government faces unified or divided control of the Bundesrat. These changes also occurred as a result of the addition of a Länd or Länd seats to the upper house. In particular with German unification in 1990, Länd seats were added and the political structure of the Bundesrat was deeply changed (König and Bräuninger 1996). Therefore, each time the balance of power between government and opposition changes in the upper house, we can have a new observation for each party and its roll rate. We call these time periods legislative sub periods.<sup>20</sup>

Thus the dependent variable in the following analysis is either the roll rate of each party during each of the 11<sup>th</sup> to 14<sup>th</sup> Wahlpers, in which case we have 19 party-Wahlper

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make sense for government parties to abstain as a way to say no, because government parties have a majority and thus they do not predict, in general, that a vote will not pass.

<sup>20</sup> Some of these legislative subperiods included very few votes, and we dropped all the subperiods with less than 8 final passage votes, leading to a total number of 34 remaining legislative period-party observations.

observations, or, to reflect the changing nature of agenda power within shifting divided governments arising from changes in the Bundesrat, in which case we have 34 party-sub-period observations. In either case, we are extending our data series in hopes of sharpening our analysis.

There are five parties in the German lower chamber during this period, namely The Christian Democratic Union (CDU/CSU), The Free Democratic Party (FDP), The Social Democratic Party (SPD), The Green Party (GRN), and The Party of Democratic Socialism (PDS). PDS came into existence only after 1990, with the unification of Western and Eastern Germany. During legislatures 11-13, CDU/CSU and FDP were in government, whereas with the 14<sup>th</sup> legislature, SPD and Green form the new government.<sup>21</sup>

### **Tests, measures and results**

We will examine our hypotheses in turn.

*H1) under complete and perfect information, and with costless gatekeeping, the roll rate of governmental parties will be zero.*

*H2) the roll rate of opposition parties should be higher than the roll rate of governmental parties, all else constant.*

Roll rates for the government and opposition parties in the Bundestag are given in column 3 in Table 1. As can be seen there, the government party roll rate averages a little more than two percent. This was a total of 6 rolls out of the 213 total final passage votes. There were no rolls of the government parties in the 11<sup>th</sup> Wahlper, while the Green Party suffered the greatest number of rolls of any government party in the 14<sup>th</sup> Wahlper with a

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<sup>21</sup> Information on seats held in the Bundestag and Bundesrat were found in *Wahlergebnisse in Deutschland 1946-2003*. Mannheim: Forschungsgruppe Wahlen e. V.

total of 4. While the average for government party rolls is significantly greater than zero, substantively it is very close to zero. More important, under unified government (in which case the same parties control both houses of the legislature) there are literally zero rolls of the government parties. Further, an analysis of the rolls also shows that the votes were on substantively unimportant issues and were of no consequence. Moreover, this roll rate is on par with the roll rate of other government or majority parties in parliaments around the world.

For the opposition parties, however, the roll rate is very high, averaging 63%. These rolls were also on substantively important issues, such as the budget and taxes. The opposition roll rates are significantly greater, for all opposition parties, than the roll rates for parties within the government. Indeed, the opposition roll rates are 15 to 30 times greater than the government roll rates.

In sum, governmental parties rarely get rolled whereas opposition party rolls are frequent. During Wahlpers 11-13, there was only 1 vote, on an issue of criminal law, where both governmental parties, CDU and FDP, got rolled. During the same Wahlpers, there were 106 votes on which all opposition parties were rolled; a large part of these are yearly budgets, but we also get major policy areas such as tax laws, civil rights (human rights policy), reduction and relocation of troops and UN army participation, regional planning and urban affairs, labor market policy, social security, economic growth and state expenditure, nursing care, abortion regulation, environmental issues, agriculture, immigration, health insurance reform, privatization and pension reform.

During the 14<sup>th</sup> Wahlper, there was again only 1 vote, on the issue of a castle reconstruction, where both governmental parties, SPD and the Greens, were rolled.

During the same Wahlper, there were 12 votes on which all opposition parties were rolled; a large part of these are again yearly budgets, but also we get policy areas such as tax reform, social policy, foreign policy, pension reform and economic-financial policies.<sup>22</sup>

**Table 1: Mean Roll Rates for Bundestag Government and Opposition Parties when in Government vs. Out of Government in the Upper House**

**Means, standard deviations (in parentheses) and number of observations**

		<b>Party</b>		Mean Roll Rates
		In Minority in Upper House	In Majority in Upper House	
<b>Party</b>	Out of Government in Lower House	<b>0.73</b> (0.18) 5 observations	<b>0.60</b> (0.16) 15 observations	<b>0.63</b> (0.17) 20 observations
	In Government in Lower House	<b>0.02</b> (0.03) 10 observations	<b>0</b> (0) 4 observations	<b>0.02</b> (0.03) 14 observations

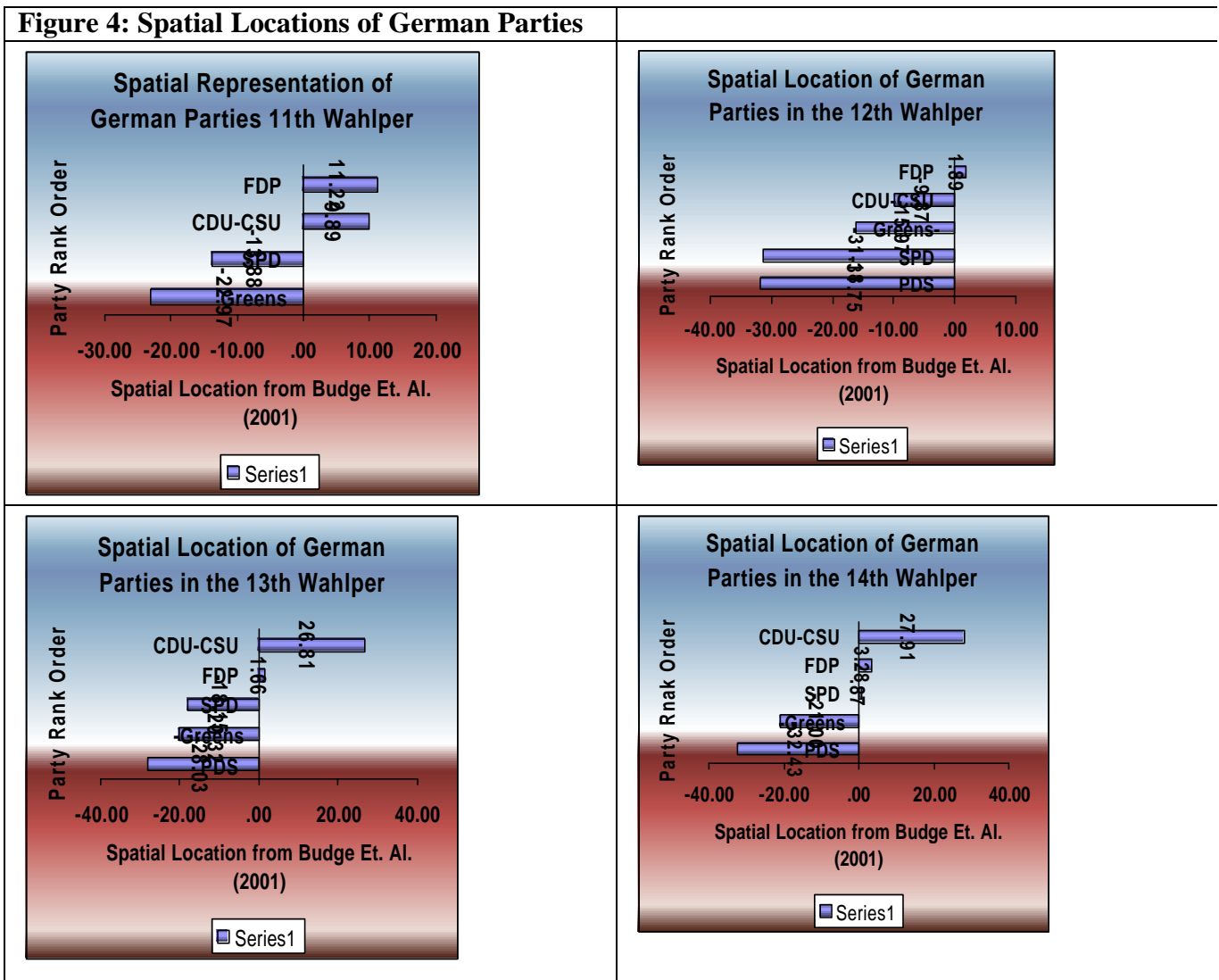
*H3) The roll rates of opposition parties should increase the further is their median ideal point from the floor median, i.e., the greater is  $|m-F|$ , the greater is an opposition party's roll rate, all else constant.*

In order to test this hypothesis, we first needed to estimate the distance of opposition (and governmental) parties from the chamber median on the left-right dimension. However, we do not currently have a measure of distance that we believe has interval level properties.<sup>23</sup> Instead we used the data from Budge et al (2001), as shown in

<sup>22</sup> These numbers are based on all final passage votes recorded during the four legislative periods (213 votes).

<sup>23</sup> We estimated distance using Poole's (2005) Optimal Classification program, but the primary dimension recovered by the program appeared to be simply a ordering of in

Figure 4 for the 11<sup>th</sup> to 14<sup>th</sup> Wahlpers, to rank the party farthest away from the government coalition in each Wahlper.<sup>24</sup> We call this variable  $DISTANCE_k$ .



We regressed the roll rates of each party  $j$  during the four Wahlpers,  $t$ ,  $ROLL$   $RATE_{jt}$ , in a pooled cross-section time series on  $DISTANCE_{jt}$  and  $TREND_{jt}$ , the latter

versus out of government, and the interval properties of the data did not seem to meet normal standards of construct validity.

<sup>24</sup> These were the Green Party in the 11<sup>th</sup> Wahlper, and, after its creation, the PDS for every subsequent Wahlper. Thus, our measure  $DISTANCE$  is a dummy variable that takes on the value 1 for the above listed parties in the respective Wahlpers, and 0 otherwise.

variable to account for the downward trend evident in German roll rates for all parties over this time period (. This gives us equation (1):

$$(1) \text{ Roll Rate}_{jt} = \alpha + \beta_1 \text{DISTANCE}_{jt} + \beta_2 \text{TREND}_{jt} + \varepsilon_{jt},$$

We employed the extended beta binomial regression method (EBB) suggested by King (1989) and Palmquist (1999), which deals with situations where the dependent variable is an aggregation of individual binary choices that are likely not independent of each other.<sup>25</sup> The observations in our dataset are based on votes aggregated for each party and legislative sub period (or Wahlper), and thus the assumption of independence between observations is likely to be violated, since the observation for one vote is not likely to independent from the observation for the next vote. Especially given our theory that the government controls the agenda, votes are not likely to be independent observations, as they are all subject to the same common background of governmental agenda control.

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<sup>25</sup> Extended beta binomial (EBB) is an estimation technique used originally in toxicology studies in which there are both individual and litter effects of a treatment. In studies of Congress we believe EBB is an appropriate technique because there are both individual and Congress-level factors that influence the probability of being rolled (for more on EBB see Haseman and Kupper 1979, Kupper and Haseman 1978, and Williams 1975).

**Table 2: Roll rates by Party-Wahlper for Opposition Parties, estimated by EBB**

	<b>Model 1: Coefficient (Std. Error) Z Statistic</b>
	DV: Party j's Roll rates by Wahlper t
DISTANCE <sub>jt</sub> (Opposition Party ranked most distant from government in each Wahlper, by Budge et al)	.499 (.235) 2.12**
TREND <sub>jt</sub> (Wahlper)	-.601 (.102) -5.87***
Constant	7.179 (1.306) 6.26*
LR Chi <sup>2</sup>	47.15
N	11

\*\* indicates  $p < .05$ ; \*\*\* indicates  $p < .01$ , 1-tailed test

The results in Table 2 show that, as hypothesized, the opposition party farthest away from the government exhibits a significantly higher roll rate than the opposition parties closer to the government.<sup>26</sup> Opposition parties have 15 to 30 times higher roll rates than do governmental parties. We can also reject the null hypothesis that the effect of distance from the chamber median on the roll rates for opposition parties is 0 or

<sup>26</sup> If we use the Manifesto Project ranking to create an ordering of parties and create a dummy variable for the opposition party that is least distant from the interior government party (this is the SPD in the 11<sup>th</sup> Wahlper, the Greens, SPD, and lastly the CDU in subsequent Wahlpers), and we use that as our measure of distance in the regression in Table 2, so that the excluded cases are those farthest away from the government, then we find, as expected, that the coefficient for distance is negative and significant, as the parties with ideal points closer to the government have significantly lower roll rates than do those further away, as ranked by Budge et. al. (2001). You cannot include both measures of distance in a single regression, as there would be no excluded opposition party for the 11<sup>th</sup> Wahlper.

negative. These results serve to validate the key test of our theory which is the comparative static presented in hypothesis 3. By contrast, the distance of governmental parties from the chamber median, as expected, is not statistically different than zero (the correlation is in fact -.41 between distance for parties in government and their roll rates, which is not significant at standard levels).

*H4) Divided government should decrease the roll rates of opposition parties when their party holds a veto in the other chamber (such as when they are in the majority in the other chamber), all else constant.*

*H5) divided government should, all else constant, increase the roll rates of governmental parties.*

First, we compare roll rates during unified and divided government. In a parliamentary system such as Germany it can be problematic to code divided government. This is especially problematic in Germany as the voting unit in the Bundesrat is a Länd, not a party. So, how did we code the status of parties in the upper house? We coded the composition of the upper house by computing the number of seats held by the governmental parties together as well as the number of seats held by opposition parties together. The coding is based on collecting data regarding Länd election results indicating the parties in government at the Länd level. This was a rather complicated process because each Länd has a different coalition in government and this coalition was sometimes entirely identical, other times partly identical with the Bundestag coalition, or it was entirely made up of opposition parties, or it was a mix of opposition and government parties.

Following the insight of Sturm's (cite) similar calculations, we considered a government party any Länd coalition composed of 1) a single governmental party or 2) a number of governmental parties (some or all) or 3) one or more governmental parties plus some small regional party (that does not even have seats in the Bundestag). On the side of the opposition we considered as opposition Länd governments made up of 1) a single opposition party; or 2) a number of opposition parties (some or all) or 3) one or more opposition parties plus some small regional party. We did not code as government or opposition seats held by Länd coalitions made up of both opposition and governmental parties, or of small regional parties, or coalitions of all together (government plus opposition plus small regional parties).

Therefore, we coded a party as being in government in the Bundesrat if together with its coalition partners it holds more seats than the opposition parties hold, and out of government otherwise. Thus the status of parties in the upper house is a dummy variable indicating whether each party and its coalition partners had a majority of seats in the upper house.

Looking back, Table 1 displays the mean roll rates, standard deviations (in parentheses), as well as the number of observations for each category, for government and opposition parties, both when they hold a majority in the Bundesrat and when they do not. What we see there is that holding a majority in the upper chamber does in fact decrease opposition party roll rates by 13%, although the effect here is significant at only the .1 level in a one-tailed test (we need another Wahlper or two of data to reach standard levels of statistical significance on this finding). Further, the increase in the roll rates for the parties within the government does increase significantly (at the .05 level in a one-

tailed test) when those parties do not control a majority of votes in the Bundesrat. This suggests that the Bundesrat does exercise some degree of agenda power.

Changes in the composition of the governing coalition should also change each party's roll rate. Thus, when the CDU/CSU-FDP coalition loses its majority and is replaced by the SPD-Green party coalition, we should see a corresponding change in each of the four parties roll rates. Roll rates for the PDS, by contrast, should not change significantly. Roll rates for the CDU/CSU and FDP go from less than 2% to more than 44% when these parties leave government, whereas the roll rates for the Green Party and SPD go from 64% and 53% respectively in the 13<sup>th</sup> Wahlper to 4% and 2% respectively in the 14<sup>th</sup> Wahlper when they take over the government. By contrast, the roll rate for the PDS, whose status within the government did not change during this period, went from 68% to 67% from the 13<sup>th</sup> to the 14<sup>th</sup> Wahlper.

To test the effect of going in and out of government, both in the upper and lower house, instead of using observations for all parties in the regression, we can also look at the classical coalition partners – CDU and FDP, whom have been in government together through Wahlpers 11-13, as well as SPD and Greens, in government during Wahlper 14. We estimate two regressions, based on the same equation (3):

$$(3) \text{ Roll rate} = \alpha + \beta_1 \text{IN\_GOVERNMENT} + \beta_2 \text{IN\_MAJORITY\_BUNDESRAT} + \varepsilon,$$

In equation (3), IN\_GOVERNMENT is a dummy indicating if the party is in government or out of government in the lower house and IN\_MAJORITY\_BUNDESRAT is a dummy indicating if the party is in government or out of government in the upper house. The results of the EBB regression that regresses

the roll rates of CDU and FDP on their status in the lower and upper house are presented in Table 3.

**Table 3: The Effect of Being in Government in the Lower and Upper House on the Roll Rates of Typical Coalition Partners CDU and FDP**

	<b>Coefficient (Z score)</b>
IN_GOVERNMENT	-4.446*** (-10.48)
IN_MAJORITY_BUNDESRAT	-0.756** (-1.91)
Constant	0.54** (1.86)
Log Likelihood	-77.40284
Pseudo R <sup>2</sup>	.45
N	14

\*\* indicates  $p < .05$ ; \*\*\* indicates  $p < .01$ , 1-tailed test

Moving in and out of government in the Bundestag and in and out of the majority in the Bundesrat significantly reduces the roll rates of the coalition partners CDU and FDP, although changes in lower house status have a higher significance and estimated impact than status in the upper house, which is easily justifiable. Our theory predicts that when parties are in opposition in the lower house, their roll rates will drop significantly when they are also in government in the upper house, because they gain bargaining power and agenda influence. The roll rates of parties in government in the lower house also will increase during divided government, but the estimated effect is also smaller because their roll rates are small and thus variation will be small. CDU and FDP, during most of our observations, are in government in the lower house (Wahlpers 11-13), and in opposition during Wahlper 14 only. Thus, if we run the same regression for SPD and

Greens, which are in government only during Wahlper 14, we should see a much higher effect of the upper house status change, which is shown by results presented in Table 4.

**Table 4: The Effect of Being in Government in the Lower and Upper House on the Roll Rates of Typical Coalition Partners SPD and Greens**

	Coefficient (Z score)
IN_GOVERNMENT	-6.679*** (-6.47)
IN_MAJORITY_BUNDES RAT	-2.877*** (-14.14)
Constant	3.56*** (19.25)
Log Likelihood	-55.73335
Pseudo R <sup>2</sup>	.56
N	7

\*\* indicates  $p < .05$ ; \*\*\* indicates  $p < .01$ , 1-tailed test

When regressing the roll rates of SPD and the Greens on their lower and upper house status, we see that going in and out of government in both houses significantly affects roll rates. When parties are in government in any of the two houses, their roll rates drop substantially.

*H7) During a period of divided government if the opposition parties, through their control of the other chamber, can use the Mediation Committee to obtain policy concessions, then we should see Mediation Committee reports that pass unanimously.*

With respect to the effect of divided government, we expect to see Mediation Committee reports that either pass unanimously, or that roll the governmental parties. There are 15 Mediation Committee reports in our dataset, 14 of which occur under

divided government.<sup>27</sup> Out of these 14, governmental parties are only rolled once, and there is one unanimous vote. The remaining 12 votes split the opposition and the government over the issue, and the government wins over the opposition. This shows that opposition parties do not actually achieve major policy wins during divided government by using Mediation Committee reports and/or side payments.

We should also see more unanimous votes on major debated policy issues during divided government. There are 6 unanimous votes to pass policy during these four legislatures and all of them occurred during periods of divided government. However, looking at the substance of these particular votes, we see that the issues involved were not those where hot divides likely (these bills involved EU enlargement or stronger penalties for sexual violence). Thus, although the apparent effect of divided government in the German Parliament is to lead to more consensual politics, some of these votes could be consensual by nature, and thus we see these observations as more of a hint than a proof of consensual politics during divided government.

Some examples are famous. In 1999 on the decision of the German nationality law, the federal government made up by SPD and Greens negotiated a deal with the delegation from Rhineland-Palatinate made up of SPD and FDP, and it by this deal secured a majority in the Bundesrat. In July 2000, on a vote regarding tax reform, the government of SPD and Greens secured a Bundesrat majority by “buying off” the votes of the delegations from Rhineland-Palatinate (SPD and FDP government), Berlin,

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<sup>27</sup> The actual number of Mediation Committee reports is larger, for instance during the 14<sup>th</sup> Wahlper 75 bills were referred to the committee, 66 of which by the Bundesrat. Naturally, recorded votes are likely to happen on those reports that are the most debated policy topics, so these are the votes where both government and opposition are most likely to make efforts to win policy concessions.

Bremen, Brandenburg (all SPD-CDU grand coalition governments) and Mecklenburg-West Pommerania (SPD-PDS coalition). The coin of the realm were special favors and projects familiar to anyone who has studied American politics: modifying the tax reform law to give resources to small and medium sized business for Rhineland-Palatinate, allocating money for Berlin's cultural activities, offering support for Brandenburg traffic projects, and promising that PDS will be a future negotiation partners in politics to please Mecklenburg-West Pommerania

*H8) Policy should move toward the government parties' median and away from the median of the opposition parties, all else constant. Changes in government will, all else constant, change the direction of policy movement.*

*H9) divided government should reduce the proportion of proposals that move policy toward the ideal points of the government parties, all else constant.*

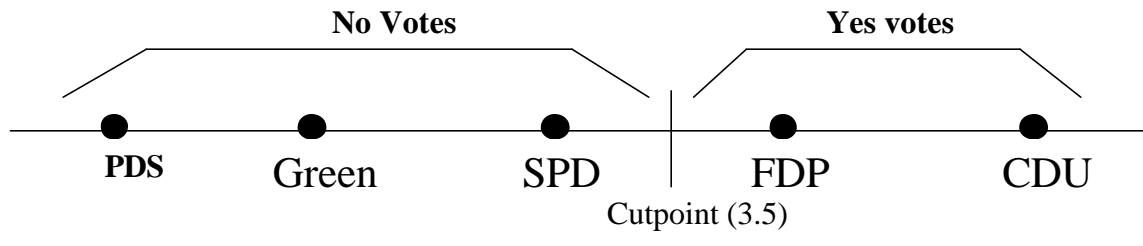
We also previously stated that policy should move toward the government and away from the opposition, and that divided government should decrease the proportion of policy moves toward the government. In order to compute policy moves and their direction, we computed a one-dimensional Optimal Classification on German roll call votes and used this one-dimensional classification, together with the pattern of yea and nay votes, to determine a cutpoint for each vote.<sup>28</sup> The cutpoint determines the point in policy space that separates the yes and no votes. Figure 5 offers an example of how

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<sup>28</sup> To estimate policy moves we used a scaling method called Optimal Classification (OC), developed by Poole (2005) for scaling roll call votes in legislatures. [http://www.voteview.com/Optimal\\_Classification.htm](http://www.voteview.com/Optimal_Classification.htm). See Poole 2005. To estimate party positions we used all 556 recorded votes that occurred during the 11<sup>th</sup> through 14<sup>th</sup> Wahlpers.

cutpoints can help us identify policy moves. This figure shows a typical move toward the government and away from opposition parties during Wahlper 12.

**Figure 5: Example of a Policy Move toward the Government and away from the Opposition, Wahlper 12**



**Direction of Policy Movement**

During Wahlper 12, the FDP and CDU are in government, and the left-right ranking of parties produced by OC is as presented in Figure 5. Knowing that both FDP and CDU voted in favor of the bill, that all opposition parties voted against the bill, and that the bill passed, we can conclude that the policy moves toward the governmental parties and away from the opposition parties.<sup>29</sup> Similarly for all four legislatures, we look at bills that passed and coded whether the policy move was towards the government and away from the opposition, or away from the government and toward the opposition. We only consider bills that passed for the policy moves analysis, since these are enacted policy, whereas failed bills cannot be policy moves.

We also only included in this analysis only bills where the cutpoint falls exactly between the government and the opposition parties. There are other instances where the cutpoint is at one of the left-right extremes (which indicates a unanimous vote that OC

<sup>29</sup> OC also makes few classification errors (it misclassifies the cutpoint), and it indicates so, enabling us to drop misclassified votes from the analysis, which we did.

automatically drops because unanimous votes do not provide information useful for creating a left-right mapping of parties) and still others where the cutpoint falls between the two governmental parties (which is exceedingly rare). We do not utilize these few votes, because in votes that split the government coalition, we cannot always determine a direction of policy change. We hope to explore in more depth in future research the dynamics of coalition disagreements and how agenda control breaks down when coalition partners disagree. For now we discard these moves as ambiguous from the point of view of our theory.

To sum up, the total number of votes is comprised of votes of bills and committee recommendations that 1) passed (so that policy was changed), 2) OC correctly classified, so that the cutpoint between government and opposition parties was correctly identified, and 3) the cutpoint is between the governmental and one or more of the opposition parties.

Table 5 presents the proportion of policy moves toward the government as opposed to policy moves away from the government, Wahlper by Wahlper.

**Table 5: Proportion of Policy Moves Toward the Government**

	Wahlper 11	Wahlper 12	Wahlper 13	Wahlper 14	Total
Proportion moves toward the government	100	100	97.2	100	99.2
Proportion moves away from the government	0	0	2.8	0	0.8
<b>Total number of votes</b>	50	26	36	16	128

Overall, for Wahlpers 11-14, the proportion of policy moves toward the government is 99.2%; in fact there is only 1 policy movement away from the governmental coalition parties out of 128 policy moves. The one policy move opposed by both government parties (CDU and FDP) was during Wahlper 13 and concerned criminal law. In the 13<sup>th</sup> Wahlper, 97.2% policy moves were toward the government. Otherwise, for Wahlpers 11, 12, and 14, the proportion of policy moves toward the government and away from the opposition is 100%.

Does divided government decrease the proportion of policy moving towards the majority party as predicted? Table 6 shows results for the proportion of policy moves toward the government during divided and unified government.

**Table 6: Proportion of Policy Moves Toward the Government During Divided Government**

	Divided Government	Unified Government
Proportion moves toward the government	98.6	100
Proportion moves away from the government	1.4	0
Total number of votes	72	56

During unified government, the proportion of moves toward the government is 100% during the four legislative periods. This figure drops to 98.6% during divided government – that is, the one policy move away from the government during Wahlper 13 happens under divided government. This single policy move away from the government is not enough for us to conclude that the proportion of policy moves toward the government is any different in divided versus unified government.

Further, when the CDU/CSU-FDP coalition held government policy moved rightward in 99.1%, while when the SPD-Green coalition was in government, policy moved leftward 100% of the time. We expect the direction of policy change to vary with alternation in government. Leftist coalitions should move policy leftward; rightist coalitions, by comparison, should move policy rightward. This is different than the expectations under the median voter theorem, where policy change should be determined simply by the distribution of status quo points. If policy change is determined solely by the distribution of status quo points and the floor median, then for policy moves to be uniformly leftward or rightward the distribution of status quo points must be such that policies can be drawn exclusively from the opposite side of the spectrum (to move policy left requires pulling rightward status quo policies to the median, and vice versa for rightward moves). This might be possible when a rightist government takes over for a leftist government, but it seems like an implausible distribution of status quo points when a rightist or leftist government is in power for a continued amount of time. Although this assumption about the distribution of status quo points seems unlikely, it is precisely what one must believe to argue that our results regarding policy moves are consistent with the median voter theory as applied to the legislature.

### **Conclusions**

We began by considering the role of agenda control and discipline in the legislative process. In Germany we find strong evidence in favor of monopoly legislative agenda control by government parties in the Bundestag. The evidence in favor of this conclusion comes from the government parties' near-zero roll rates and the significantly higher roll rates of opposition parties. It comes most strongly from the validation of three of our hypotheses: first, that opposition party roll rates increase with the distance of that

party's median voter to the floor median, while roll rates for the government parties are do not respond to changes in the distance from their median ideal positions to the floor median; second, that almost all policy moves are towards the government coalition, and the only exception occur during a period of divided government; and third, changes in government and opposition in the Bundestag cause changes in roll rates and the direction of policy movement, with roll rates for government parties skyrocketing when they fall into the opposition and vice-versa for opposition parties, while policy movements go from being nearly 100% rightward when there is a rightist government to 100% leftward under a leftist government, despite changes in the majority the upper house.

Furthermore, we have also examined the effect that divided government has on the legislative process in Germany. We stated multiple hypotheses about the possible effects that the Bundesrat could have on legislative behavior in the Bundestag. We have examined whether being in the majority in the upper house can reduce the roll rate of parties which are out of government in the lower house. This difference is in the expected direction. We also examined if divided government reduces the proportion of policy moves toward the government. We found that policy moved in the expected direction, but again the difference in policy moves toward the government between divided and unified government was not statistically significant. We also considered the possibility that divided government allows opposition parties to use the Mediation Committee to gain policy concessions. Although mediation reports do primarily occur during divided government, we did not find significant evidence that they lead to unanimous adoption of bills or that they allow opposition parties to make deals that roll the government. Last but not least, we looked to see if voting is more consensual during divided government

because of the need to strike more compromises. Indeed, all the unanimous votes in our dataset occur during divided government, but we are unsure if this is evidence for consensual politics, because the topics of some of these votes are not hotly debated policy issues and would perhaps be consensual in unified government, too.

It is worth noting that the effects of divided government might be greater than we have found here, because of actors' strategic behavior that can lead to outcomes that are difficult to observe. For instance, even in the presence of divided government the government parties generally introduce the bills, and governmental agenda setters may strategically refrain from introducing such bills that cannot pass in the upper house (König 2001). This means that although we do not see statistically significant differences between the mean roll rates of governmental parties during unified and divided government, a process of selection has already taken place at the agenda setting stage that helps avoid governmental parties from getting rolled in ways that are visible to the public eye. The government may have its agenda affected, but it occurs behind closed doors.

Although it is a very real possibility that governments anticipate the policies that can pass, the evidence gathered to date suggests that divided government has significant, but small effects on the government's ability to control the agenda and move policy in their preferred direction. Better estimates of the effect of divided government will come from larger datasets that allow us to more precisely estimate changes in roll rates and policy moves.

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