Strategic Manifesto Differentiation: 
Moving to the Center vs. Periphery

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ABSTRACT

Political parties design their manifestos not just to appeal to the median voter, but also to differentiate themselves from competitors. However, the imperative for strategic differentiation varies with relative electoral capabilities. We posit that when government and opposition parties espouse identical platforms, the former’s valence advantage allows it to attract a greater share of voters. As such, government parties tend to move towards the vote-rich center of the policy spectrum. The platforms of opposition parties, by contrast, veer towards the ideological periphery, because they are designed to be clearly distinct from and critical of the government. Our analysis, which is based on data from a cross-section of developed democracies, speaks to ongoing debates about comparative voter behavior. The paper’s findings suggest that government parties seek closer “proximity” to voters, while opposition parties play to more extreme, “directional” voters.
1. **Introduction**

It goes without saying that the foundation of representative democracy is the ability of voters to elect their legislators. To the extent that voters are sensitive to the policy outputs of future governments, the electoral marketplace incentivizes political parties to advocate policy programs, or manifestos, that appeal to the electorate. Of course, voter preference is dynamic, in that it changes over time with economic conditions, social norms, and international events. For parties, electoral survival depends on being responsive to these shifts in voter attitudes.

Much of the literature views policy shifts as a decision-theoretic response to voters: when the electorate becomes more progressive or conservative, parties move accordingly. However, we contend that there is a more strategic dimension to policy shifts. Because voters make ballot choices based on their relative evaluations of manifestos, parties must also worry about *policy differentiation*. More specifically, vote maximization hinges not only on accurately adapting to the density of voters along policy space, but also the proximity of competing parties in that space. While the center of the ideological spectrum may be fertile with voters, a party will only get some fraction of those votes if multiple competitors crowd around the same policy position. At the same time, centrism or policy moderation risks alienating core partisan supporters, diluting the party’s brand, and confusing independent voters. In other words, parties must balance some mix of moving to the center vs. periphery to maximize their attractiveness.

How do parties juggle the need to reach out to more voters while also differentiating themselves from rivals? If parties do not vary in their ability to attract voters, then in equilibrium, the policy distance between parties should be stable over time, even as they make minor positional adjustments to temporal changes in voter preferences. However, we argue that there is an asymmetry in the capacity of government vs. opposition parties to persuade and mobilize voters. Parties in power enjoy multiple advantages: they can design policies to appeal specifically to
independent voters; their leaders are better known by virtue of their cabinet positions; they may enjoy more attention from the media. As such, government parties should be able to capture a large fraction of voters in a particular policy space, even in the presence of competing parties. This should manifest as a tendency for government parties to adopt a “proximity” strategy of moving closer to centrist positions where more voters are located.

By contrast, opposition parties should privilege policy differentiation. In order to effectively criticize the government’s past performance and future agenda, they must distinguish their own platforms by moving towards the periphery of the policy space, away from the government. Opposition parties, in effect, play a “directional” strategy of advocating more extremist positions, which allow them to overcome the government’s bully pulpit and capture disgruntled partisans or untapped independent voters.

In the following section, we present a brief overview of the extant literature and describe how we part ways on theoretical and empirical grounds. Next, we lay out our theoretical argument and derive testable hypotheses. The third section discusses our data and measures, while the fourth section reports the results of our empirical tests. One important innovation is that we estimate changes in policy manifestos relative to the center of the ideological space, rather than shifts on an absolute Left-Right scale. Our analysis, based on 271 party-years across 12 countries between 1976-2003, shows that government parties adopt more centrist manifestos, while opposition parties move to the periphery.

2. The Organizational Psychology of Political Parties

A core assumption underlying most studies of policy positioning is that parties are vote maximizing. As Downs (1957) writes, political parties craft their manifestos to appeal to the greatest fraction of
the electorate, not (necessarily) to articulate the sincere preferences of their leaders or activist supporters. Downs’s assumptions regarding degrees of policy flexibility and propensities for vote maximization have been challenged as being too simplistic.\footnote{For example, Strom (1990) argues that parties vary in their pursuit of votes vs. office vs. policy depending on the institutional architecture, such as the powers of the cabinet and the electoral system.} Nonetheless, numerous studies have tested his central argument that a party’s policy platform is designed strategically. The primary research question has been identifying the conditions under which a party would choose to alter its platform. This task has been challenging on two fronts: deciding how to measure the dependent variable, and finding the relevant explanatory factors. While seemingly methodological, both issues have important ramifications for how we theorize the behavior of political parties. Let us take each issue in turn.

\section*{2.1 Vote Maximization and Product Differentiation}

Most researchers operationalize the policy positions of parties using data from the Comparative Manifesto Project (CMP), which codes the public, pre-election manifestos of political parties in developed democracies. Manifestos detail each party’s policy priorities for the next parliament across a large number of issue areas. They act as a party’s calling card, while also serving as the baseline from which its subsequent achievements are evaluated. CMP tabulates the number of times that specific concepts with partisan implications, such as environmental regulation or welfare expansion, appear as quasi-sentences. CMP’s most popular metric is the overall Left-Right score, which arrays parties according to thirteen distinct policy issues on a -100 to 100 Left-Right scale (Budge et al. 2001; Klingemann et al. 2006).
There are two questions we can ask about policy shifts: how much, and in which direction? Most studies examine how vote-maximizing parties move their platform to the Left (progressive) or Right (conservative), although scholars differ in how they frame the strategic calculus of parties. One school posits that parties respond to ideological shifts among the electorate as measured through surveys. Adams, Clark, Ezrow, and Glasgow (2006) find that mainstream parties are more responsive to public opinion shifts than niche parties, while Adams, Haupt, and Stoll (2009) show that right-wing parties are more adaptive than left-wing parties. There may also be differences in the relative voice of voter subgroups. Adams and Ezrow (2009, pg. 206) argue that mainstream parties are particularly attuned to “opinion leaders”—those voters “who regularly discuss politics and who attempt to persuade others to change their viewpoints”.

A different line of research explores how parties learn from the effectiveness of their past tactics. If a party moved to the Left or Right in the preceding election and lost votes, then it should revert backwards in the next contest. If it increased its vote share, on the other hand, it should either stay put or move in the same direction again (Budge 1994). Somer-Topçu (2009), focusing purely on the magnitude of policy change, finds that vote losses increase policy shifts but vote gains only produce small adjustments. However, she demonstrates that the informational content of past performance degrades over time: as the interval between elections increases, vote swing has a smaller predicted effect on the magnitude of policy shifts.

Both approaches are united by the premise that parties calibrate their positions based on the distribution of voter preferences. This is achieved either by estimating the current distribution of voter ideology or by evaluating the electoral payoff from past policy shifts. A central takeaway point is that parties are not isomorphic: their electoral size and ideological niche influences the direction and magnitude of policy adaptation. Having said that, it is not easy to compare the results of these studies, because of differences in their operationalization of the dependent variable. For example,
Somer-Topçu (2009) looks purely at the magnitude of policy change, while Adams et al. (2006, 2009) try to also estimate the Left-Right direction of that shift. At the same time, researchers who use survey responses as the main explanatory variable do not find past election swings to be consistent predictors of policy change (Adams et al. 2004, 2006; Adams and Ezrow 2009). Some of these differences may be attributable to variations in empirical scale; survey-based analyses tend to have fewer party-elections in their sample than election-swing studies.²

A more crucial, theoretical issue is that vote maximization may not be a straightforward function of the correspondence between the policy position of parties and the distribution of voter preferences. First, it is not clear that Downs’s assertion regarding “proximity” voting is correct. The basic model posits that voters support parties whose policies are closest to their ideal points—hence parties strategically adapt their manifests to changes in the electorate’s preferences. However, there is empirical support for “directional” voting models, wherein voters prefer parties that are more extreme ideologically. Because voters are deluged with information during elections, parties can better attract their attention by selling increasingly intense messages (Rabinowitz and Macdonald 1989; Iversen 1994). Kedar (2005) takes a more contextual view, arguing that directional voting is more prominent in proportional representation electoral systems with coalition governments. Since parties in a coalition must moderate their individual platforms to maintain government cohesion, voters—anticipating that pre-election promises will be eventually diluted—support parties that tend to be more extreme at the outset.

² Somer-Topçu analyzes the vote swings of 165 parties that have competed in three or more elections in 23 OECD countries, for a total sample size of 1384 party-election years. By comparison, Adams et al (2004) look at a maximum of 167 party-elections in eight Western European countries, Adams and Ezrow (2009) at 181 party-elections in twelve countries, and Adams, Haupt, and Stoll (2009) at a maximum of 166 party-elections in eight countries.
Second, we do not believe that measuring policy positions on an absolute Left-Right scale captures the electoral calculus of political parties. For parties to increase their votes—not just preserve their status quo popularity—they must poach persuadable voters from their competitors without losing partisan, core supporters. The strategic decision, then, is whether to advocate policies similar to that of other parties or to double-down on more distinctive programs. The Left-Right scale fails to capture this distinction, as a leftward policy move for socialist parties represents a shift towards the base, while the same for a conservative party denotes a move towards the center. These are vastly different strategic choices: the former connotes a party being worried about its core supporters, while the latter represents an overture to swing voters.

This paper argues that parties are sensitive to the need for policy differentiation. When drafting their manifestos, parties consider not only the density of voters in the policy space, but also the attractiveness of other parties in the vicinity. The vote gain from moving to a higher density policy position is not the entire electorate located in that space, but rather some fraction of it, conditional on the number of competitors attempting the same move or already located there. For example, if a center-left and a center-right party both shift their policies to the middle of the ideological scale, then they will divide the pool of centrist voters among them. Although this may appear to simply preserve the status quo balance of power, no policy move is costless. In multi-party systems, where centrist parties may be flanked by more radical left- and right-wing parties, any gains from attracting centrist voters may be offset by the defection of partisan supporters who see policy moderation as a sign of ideological betrayal. This suggests that at any given time, any move to the center or periphery risks tradeoffs among subsets of voters.
We argue, however, that variance in the ability of parties to attract voters produces different strategic choices. Specifically, government parties have a valence advantage over opposition parties.\textsuperscript{3} First, the government can set the legislative agenda and enact policies that are particularly attractive to swayable voters. This may involve a greater focus on public goods that appeal to the whole nation, such as better policing or education programs, as opposed to private goods that reward core supporters, such as government jobs or pork-barrel redistribution.\textsuperscript{4} Second, the government receives more regular media coverage by virtue of their legislative and executive activities. This can manifest as higher public awareness of the government parties’ elites, who hold high-visibility cabinet and legislative portfolio (McElwain 2008). Third, the government is generally attributed credit (or blame) for economic management, allowing it to win valence votes when growth and employment are robust (Lewis-Beck and Stegmaier 2000). Based on these multifaceted advantages, we postulate that if government and opposition parties attempt to attract the same pool of voters, the government will capture a greater share.

These differences in campaigning abilities induce government and opposition parties to take diametrically distinct approaches to vote maximization. Because government parties have a relative advantage in persuading and mobilizing voters, they are less concerned with policy differentiation. If

\textsuperscript{3} Groseclose (2001, p.862) explores this idea in the context of individual incumbent legislators vs. challengers in US Congressional races. Our paper is more concerned with the collective performance of government parties, but there are overlapping insights between the two. We will return to this point later.

\textsuperscript{4} There is an extensive literature on what types of goods are preferred by core partisans vs. swayable independents, although there appears to be significant variation across countries on how clientelistic vs. programmatic politics manifest. For a theoretical discussion of the value of core vs. swing voters, see Dixit and Londregan (1996), Kitschelt (2000), and Stokes (2007).
voter ideology is normally distributed, the government’s optimal strategy is to advocate *centrist* policies that appeal to the largest fraction of voters. Their primary target should be independent voters, who can be poached more easily than partisans and tend to be located in the center of the ideological space. Figure 1 illustrates the distribution of voters on Eurobarometer’s ten-point ideological scale, where greater values denote more conservative values. The dashed line is the distribution of all survey respondents, while the solid line is that of “independents”, defined as people who did not identify a preferred party. [The sample includes respondents from the fourteen countries that we cover in our empirical analysis.] Both distributions are centered around “5.5”, which is the middle point in the ideological scale.

**FIGURE 1: Voters’ Policy Position**
By contrast, opposition parties must work harder to have their voices heard over the louder bully pulpit of the government’s policy promises. While electoral manifestos are forward-looking documents that lay out a party’s policies for the next administration, their content is designed with an eye towards praising or critiquing the status quo. Should opposition parties advocate the same policies as the government, they are implicitly endorsing the government’s past and future legislative agenda without differentiating their distinctive worth. As such, a better strategy is to critique the current administration by moving away from the government, i.e. away from the center of the policy space. A more “peripheral” manifesto will allow opposition parties to mobilize their core base, win over supporters of other extremist parties, and attract disaffected government partisans, all while avoiding a head-to-head battle over centrist votes with the better-known government parties. Our argument is consistent with Groseclose (2001), who shows formally that incumbents with valence advantages should move toward the center of the ideological dimension, while challengers should move towards the periphery.

Hypothesis 1: Government parties are more likely to move toward the center of the ideological space.

Hypothesis 2: Opposition parties are more likely to move toward the periphery of the ideological space.

Not all scholars believe that government parties should move to the center. Bawn and Somer-Topçu (2012) find that government parties that advocate extreme policy positions are more successful electorally than those advocating centrist positions. This relationship is stronger in coalition governments: anticipating that pre-election promises will be diluted to make coalition partnerships workable, voters prefer policy platforms that are more extreme on paper. Of course, Bawn and Somer-Topçu’s analysis only measures the electoral effects of extremism, not whether parties actually move to the center vs. periphery. Our thesis, based on variation in valence advantages,
predicts that government parties should be more centrist, in part because they cannot credibly deviate from the policy position that they advocated while in office. However, if government parties do move to the center (our claim), even if doing so ends up being electorally costly (Bawn and Somer-Topçu’s claim), then this helps to explain the widely-noted empirical regularity that government parties tend to lose votes in the next election (Rose and Mackie 1983).

One interpretation of our thesis is that government parties adopt a “proximity voting” approach, while opposition groups play a “directional voting” strategy. If the only factor influencing the content of policy manifestos is the relative density of voters in ideological space, then all parties should veer towards the vote-rich “centrist” position. However, varying capacities for voter persuasion and policy differentiation force parties to take different tacks. Because government parties have louder voices, they can afford to locate themselves close to the densest ideological position. The disadvantaged opposition parties, however, must work harder to gain traction with the electorate. Their best option is to take a more radical position that is critical of the government’s performance and outlines a different policy agenda for the future. Kedar (2005) adopts a similar distinction to explain variation in party strategies between majoritarian vs. coalitional systems. Our claim is that we should also observe this difference among government vs. opposition parties within the same country.

2.2 How Do Parties Estimate Their Popularity?

Our thesis thus far has dealt primarily with differences in intercepts: government parties should be more centrist than opposition parties. However, parties also learn from past mistakes and adapt to current trends. As earlier studies have shown, the magnitude of policy changes may vary with a party’s vote share in the last election and shifts in the public’s policy preferences. To determine the slope of the relationship between voter ideology and policy positions, we must
therefore theorize how parties interpret their past performance and estimate their future popularity even absent changes to their manifestos.

Our own empirical analysis incorporates both survey and election data to assess voter preferences, although we are sympathetic with the view that past electoral performance should matter most. It is notoriously tricky to use a voter’s stated policy preference in surveys, since her actual ballot decision will hinge on strategic voting (Cox 1997), variance in candidate quality (Jacobson 1989; Scheiner 2006), or expectations about future coalitional configurations (Kedar 2005; Powell 2000). At the same time, in countries with significant regional disparities or multidimensionality in voter preferences, there may be no consistent policy shift that guarantees vote improvement. Past vote swings, however, are “real world” outcomes that provide cues about the actual choices and tradeoffs that voters make. Of course, one complication is that earlier studies which use survey-measured voter preference find little evidence that past electoral outcome matters, and vice versa. [NB: we should note that many of these conflicting findings come from different papers written by the same author(s).]

With this in mind, how will changes in popularity influence a party’s decision regarding policy positioning? Earlier, Hypothesis 1 posited that government parties are better at product differentiation than opposition parties, and therefore are more likely to move to the middle of the policy space. We take this argument one step further with the following hypothesis:

*Hypothesis 3: The more a government party moved toward the middle of the policy space in the last election, the more it will move to the middle in the current election.*

Government parties are in office precisely because they successfully persuaded voters—particularly independent centriststo their side in the last election. This strengthens the incentive to repeat the move that brought them into power in the first place. Opposition parties, by contrast, are out of office because their previous policy move was unsuccessful (or at least, insufficiently
successful). As such, opposition parties should move away from the government’s position and mobilize voters who were ignored in past contests and/or do not support the government’s current platform.

We expect this hypothesis to hold true even in the face of competing explanatory factors. Government parties should be more centrist than opposition parties even when controlling for past vote share, changes in public opinion, electoral context (e.g. performance of the economy), and political experience (e.g. number of elections that the party has contested). We turn to a more detailed explanation of our model specifications next.

3. **Empirical Specification**

To test our hypotheses, we leverage data from a variety of empirical sources. We obtain party policy positions from the “Comparative Manifesto Project” (Budge et al. 2001), voter ideology data from various iterations of “Eurobarometer” (Schmitt and Scholz 2005), and parliamentary and cabinet data from “ParlGov” (Döring and Manow 2011). Our primary statistical model is a party-year fixed-effects OLS regression with robust standard errors, which is standard for cross-national models of this type. Our sample includes 271 party-years from twelve Western European countries.\(^5\)

Our dependent variable is *Policy Shift*, which is the change in a party’s platform from the last to current election relative to the location of other parties. Earlier studies, which focus purely on absolute directional changes to the Left or Right, simply calculate differences in CMP policy scores over time, although there is some variation in operationalization. Adams and Ezrow (2009) use the difference between the current and last election’s policy score on the -100 to 100 Left-Right scale.

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\(^5\) The twelve-country sample includes Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Sweden, and Great Britain (1976-2002).
By contrast, Adams, Ezrow, and Glasgow (2004) and Adams, Haupt, and Stoll (2009) both measure CMP policy shifts as diachronic changes on an adjusted 0-10 scale.

As we are interested in relative changes in policy position, we calculate Policy Shift in three steps. We first transform a party’s Left-Right score [-100, 100] into a 0-10 scale, where higher values indicate a more conservative policy position. Because many of our independent variables – especially the voter data – are on a similar 0 to 10 scale, this transformation improves our estimation and facilitates interpretation. Second, we locate each party within the country’s ideological spectrum. We do this by subtracting the “weighted mean position” of all parties from party i’s individual 0-10 score, which we term its “deviation”. A negative value indicates that the party is to the left of the average party position, while a positive deviation signifies a more right-wing orientation. Third, we calculate whether a party’s policy shift moved it closer or farther from the mean by calculating the difference in the absolute value of the deviation between the current and last elections and multiplying by -1. This operationalization ensures that a positive change in absolute deviation corresponds to a move to the center, while a negative change reflects a move to the periphery.

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6 The weighted mean is calculated by summing the product of each party’s Left-Right policy position and its seat share in the legislature.

7 Policy Shift measures the change in party ideology relative to the weighted mean policy score, such that positive values always signify a move towards the center. More formally:

\[
\text{PolicyShift} = \left( |LR_i - \overline{LR}_t| - |LR_{i-1} - \overline{LR}_{t-1}| \right) \times -1 ,
\]

where LR is the left-right score [0, 10] of each party in election t, while \( \overline{LR}_t \) is the weighted mean left-right score of all parties in that election. By taking the absolute value of the deviation

\[
\left| LR_i - \overline{LR}_t \right| ,
\]

calculating the change from \( t-1 \) to \( t \), and then multiplying by -1, we ensure that a
We have three key variables that correspond to our hypotheses. First, we include the additive term $PreGov$. $PreGov$ is a dichotomous term that equals “1” when the party was in the governing cabinet immediately prior to the election. We expect this variable to have a positive effect on $Policy Shift$, as per Hypothesis 1. Because government parties have a valence advantage, they should be more centrist than opposition parties, *ceteris paribus*.

Second, we include the *lag* of $Policy Shift$, which captures policy movements to or away from the weighted mean between the $t-2$ to $t-1$ elections. As Budge (1994), Adams et al. (2009), and others find, parties tend to revert back to their baseline ideology, especially when their shift in the last election was large. While their analysis is based on a simple Left-Right policy scale, the insight should also apply to the Center-Periphery dimension. As per Hypothesis 2, opposition parties should advocate more extreme platforms to more clearly differentiate themselves from the government, i.e. the coefficient for $Lag Policy Shift$ should be negative.

To test Hypothesis 3, we include the interaction between $PreGov$ and $Lag Policy Shift$ and expect this interaction term to be positive. Government parties should be more likely to repeat the same move that brought them into power. Their valence advantage allows them to better reach out to the independent centrists that they successfully corralled in the last election.

We include a number of other covariates that have been linked to a party’s programmatic strategy. First, we capture voters’ movement in ideological space using the biannual Eurobarometer surveys (although they were only conducted annually in the first few years). There is no obvious way to estimate whether voters are more “centrist” over time, as there is temporal and cross-national variation in the range and distribution of voter ideology. We use what we believe is a plausible measure: the difference in ideological distance between the median and mean voters. $Population Shift$ positive value for $Policy Shift$ denotes that a party’s manifesto position moved closer to the mean position of all parties.
takes a positive value when the difference between the median and mean positions is smaller in \( t \) than in \( t-1 \), i.e. voters are on average more centrist, and a negative value when the mean value is further away from the median.

Second, we take into account the party’s political experience. *Election Count* is a “counting” variable that increases in value by “1” for each election in which a party has competed. New political parties are more likely to espouse radical platforms that allow them to highlight their distinctiveness vis-à-vis established parties. Over time, however, they may moderate their policies in order to appeal to the larger segment of centrist and/or independent voters. Policy moderation will also make newer parties more viable as coalition partners, as established parties tend not to form partnerships with extremists that force them to incorporate nonmainstream policy positions into the coalition’s aggregate policy agenda. We expect *Election Count* to be correlated with greater policy centrism (i.e. positive coefficient).

Third, we measure policy extremism more directly through *Lag Deviation*, which is the difference between each party’s Left-Right position and the weighted mean of all other parties in the previous election, or \( LR_t - \overline{LR}_{t-1} \). This variable is positive when the party’s last manifesto was relatively conservative, and negative when it was relatively progressive. This measure controls for the direction and distance of the party from the weighted mean of the policy space.

Fourth, we include *ETR*, or “electoral threshold of representation”. Originally developed by Taagepera and Shugart (1989), ETR estimates the typical vote share needed to guarantee a party one seat in a district. Its value is determined largely by the district magnitude, or the number of seats per district. Larger values of ETR indicate a higher requisite vote share to capture a seat, with single-member systems having the highest value, “35”. Since higher thresholds require parties to win over more centrist, swing voters, as per Downs (1957), we believe that the coefficient on *ETR* should be positive.
Fifth, we include GDP Growth, as favorable economic conditions should add to the governments’ valence advantage. [NB: need to expand discussion more.]

Finally, we control for the party’s performance in the last election, or Vote Swing. This is the difference in a party’s vote share between the t-1 and t-2 elections. As other studies have noted (e.g. Budge 1994), parties tend to repeat a policy move if that increased their vote share previously, but reverse positions if they lost votes. This is consistent with our main hypotheses, relating to the effects of being in vs. out of government, although the causal mechanisms are different. (A party can be in government despite losing votes in the last election. However, they will still have valence advantages from being in office.)

As mentioned earlier in this section, we incorporate fixed-effects for “party-election year” in order to control for omitted factors that influence our dependent variable, Policy Shift. Because of variation in the years and countries covered in our diverse data sources, our final sample size is 271 party-years.

[CPW discussants: we are still running additional regressions that incorporate interaction effects between other covariates and PreGov, e.g. PreGov*GDP Growth and PreGov*Voter Swing. Long story short, none of these other interaction terms are statistically significant. We unfortunately didn’t have time to prepare tables / figures that show this, but we’ll discuss this more at our presentation.]

4. Findings

Our dependent variable, Policy Shift, is normally distributed and can thus be used in our models without further transformation. The mean value of parties’ policy shifts is 0.20 points, meaning that parties tend to move slightly to the center of the policy space, although the standard deviation is 0.87. Figure 1 displays differences in the kernel density distribution of Policy Shift by whether or not a
party was in the government \((PreGov=1)\). Government parties are slightly more likely to move to the center of the policy space \((Policy\ Shift > 0)\) than opposition parties. However, the two distributions overlap significantly, and in fact, a two-sample t-test shows that the difference in means by \(PreGov\) is not statistically significant.

![FIGURE 2: Policy Shift by Government Status](image)

Table 1 reports the mean, minimum, and maximum values of our independent variables, separated by model specification. In Model 1, the current \(Policy\ Shift\) of parties has a mean of 0.03 and a standard deviation of 0.76, while \(Lagged\ Policy\ Shift\) has a mean of 0.05 and standard deviation of 0.71. \(Voter\ Shift\) has a mean of -0.01 and a standard deviation of 0.18. Election Count has a mean of 8.5 and a standard deviation of 3.8. \(Lagged\ Deviation\) has a mean of 0.9 and a standard deviation of 1.4. As already mentioned above, the maximum possible electoral threshold of representation \((ETR)\)
is 35 for single-member plurality in the UK, while the minimum lies at 0.67 for nationwide PR in the Netherlands.

**Table 1: Descriptive Statistics**

<table>
<thead>
<tr>
<th></th>
<th>Models 1 (N=271)</th>
<th></th>
<th>Model 2 (N=271)</th>
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<tbody>
<tr>
<td></td>
<td>Mean</td>
<td>[Min, Max]</td>
<td>Mean</td>
</tr>
<tr>
<td>Policy Shift</td>
<td>0.027</td>
<td>[-2.206, 2.409]</td>
<td>-0.006</td>
</tr>
<tr>
<td>Lag Policy Shift</td>
<td>0.048</td>
<td>[-1.812, 2.068]</td>
<td>0.036</td>
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<tr>
<td>Population Shift</td>
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<td>[-0.974, 0.267]</td>
<td>-0.006</td>
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<tr>
<td>Lag Deviation</td>
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<td>[-2.485, 4.475]</td>
<td>0.895</td>
</tr>
<tr>
<td>Voter Swing</td>
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<td>[-17.9, 15]</td>
<td>-0.148</td>
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<td>Effective Threshold</td>
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<td>[0.67, 35]</td>
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<td>GDP Growth</td>
<td></td>
<td></td>
<td>2.646</td>
</tr>
<tr>
<td>ProGov</td>
<td>44.97% of cases</td>
<td></td>
<td>45.76% of cases</td>
</tr>
</tbody>
</table>

We assume that all parties have a (default) incentive to move towards the middle of the policy space, where most voters—particularly persuadable independents—are located. Our main contention, however, is that parties must also differentiate themselves from their competitors. Government parties are more likely to be centrist, because 1) they have a valence advantage that allows them to better reach out to voters, and 2) they cannot credibly disavow the programmatic promises that brought them into power. Opposition parties, by contrast, will be outmatched by government parties should they appeal to the same voter segment. They will be better off if they take a more critical stance of the government’s performance, as that will allow them to poach disaffected government partisans and rally their own base. As such, the need for policy differentiation should produce more peripheral or extreme policy platforms.
We present two multivariate models that allow us to test Hypothesis 1-3. Model 1 is the naïve model that does not include previous government status as either an additive or interaction variable. Model 2 includes PreGov and its interaction with the previous policy move, or $PreGov \times Lag\ Policy\ Shift$. Model 2 takes the functional form:

$$Policy\ Shift\ (t) = \beta_1 + \beta_2 [PreGov\ (t)]$$

$$+ \beta_3 [Lag\ Policy\ Shift\ (t-1)] + \beta_4 [PreGov\ (t) \times Lag\ Policy\ Shift\ (t-1)]$$

$$+ \beta_5 [Population\ Shift\ (t)] + \beta_6 [Election\ Count\ (t)] + \beta_7 [Lag\ Deviation\ (t-1)]$$

$$+ \beta_8 [ETR\ (t)] + \beta_9 [Vote\ Swing\ (t)] + \beta_{10} [GDP\ Growth\ (t)]$$

$$+ \alpha(i) + u(i,t),$$

where $\alpha(i)$ is the country fixed effects and $u(i,t)$ is the error term.
Our discussion of the findings will focus on the results from the (fuller) Model 2. Beginning with our main results, government parties are more likely to be advocate centrist policies than opposition parties, as seen by the positive coefficients on PreGov and the interaction PreGov * Lag Policy Shift. Figure 3 plots the predicted point estimates of Policy Shift by government status, when Lag Policy Shift is allowed to vary and all other covariates are held at their mean values. To reiterate, a positive value for Policy Shift indicates that a party is moving closer to the center of the policy space, while a negative value denotes a more extreme or peripheral platform. The results are consistent...
with Hypothesis 2: opposition parties tend to reverse their policy move from the previous period. Their support for Hypotheses 1 and 3 are slightly weaker. While government parties are generally more centrist than opposition parties, especially when their previous policy shift was positive, they do not necessarily move more to the center. [NB: expand explanation more.]

**FIGURE 3: Government Parties Move to the Middle**

Of the remaining covariates, only Population Shift and Lag Deviation are statistically significant. The negative coefficient on Population Shift suggests that when voters become more centrist (the mean voter is closer to the median voter), then parties tend to advocate more extreme or peripheral policies. We do not have a strong explanation of this result, although it is not inconsistent with Bawn and Somer-Topçu’s (2012) contention that parties win more votes when they are extremist. However, because their analysis does not explore the determinants of policy change, we will explore the implications of this finding more in the future. [NB: comments welcome!]
Lag Deviation is positive, indicating that conservative parties (to the right of the mean position of other parties) are more likely to move to the center, while progressive parties (to the left of the mean position) move to the periphery. One interpretation of this result is that parties on different ends of the ideological spectrum interpret their fates differently. Progressive parties may believe that the best way to improve their electoral performance is by appealing to their base, while conservative parties are more likely to reach out to centrists. This echoes classical studies of the origins of political parties, which have noted that conservative parties tend to be dominated by pragmatic legislators (“cadre parties”), while progressive parties emerge out of labor movements where ideological activists have greater say over policy-making (Cf. Duverger 1954, Kirchheimer 1966).

6. Conclusion

Our paper’s goal has been to offer a nuanced theoretical and empirical analysis of strategic policy positioning. Earlier studies have demonstrated that parties incorporate past electoral performance and recent ideological trends in crafting their manifestos. However, our analysis highlights the importance of policy differentiation. Government parties, endowed with superior valence advantages and bound by their past track-record, advocate centrist and vote-rich policy positions. By contrast, opposition parties, who fight from a less advantageous position, tend to pursue more extreme policies that are neglected by the government.

Empirically, our analysis has relied on new operationalizations of key factors. Instead of focusing on the Left-Right policy dimension, we have constructed our dependent and independent variables so that they correspond to Centrist vs. Peripheral positions. As discussed earlier, a leftward move by a progressive party has different strategic implications than the same move by a
conservative party. In the former, the party is moving closer to its partisan base; in the latter, the party is moving closer to independent swing voters. We believe our methodological choice better reflects the strategic choices facing political parties.

One broader ramification of this paper is that proximity vs. directional voting models can be incorporated into the analysis of policy positioning, once we take into account the imperative for policy differentiation. Previous studies have assumed that all parties craft policies that are close to the ideal points of the greatest number of voters. However, we suggest that opposition parties purposefully target “directional” voters, who pay greatest attention to parties that consistently offer more radical platforms that are clearly differentiated from the status quo. Generally speaking, opposition parties cannot expect to win new votes if they advocate the same policies as the government. To poach away the incumbents’ supporters, they must offer a clearly differentiated legislative agenda. The net outcome of strategic policy differentiation is that parties will not cluster around the same policy space. In other words, diversity in electoral manifestos and the party system overall should be greater than is typically theorized.
Bibliography


