**If you can’t move, be ambiguous**

*How income inequality can increase party platform ambiguity in majoritarian and proportional systems*

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**Research question**

Political information is receiving increasing attention, as both dependent and independent variable, especially in redistributive politics. Most research examines voter demand for (or consumption of) political information. I look at supply of clear information by political parties, asking:

*When do political parties strategically adopt ambiguous platforms?*

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**Contribution**

The “strategic ambiguity” literature extends way back; this paper offers:

1. **New logic for ambiguity:** party policy preference based logic for using ambiguity when policy is constrained by intra-party divisions.
2. **Moving beyond majoritarian electoral systems:** extension to three-party post-election bargaining game (“PR” system).
3. **Measure of ambiguity:** new measure based on expert (not voter) surveys.
4. **Empirics:** preliminary assessment of platform ambiguity as dependent variable, applied to redistributive conflict.

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**Game setup: economic and political environment**

- Romer-Meltzer-Richard economy: voters differentiated by income \(y\); government implements linear tax \(\tau\); convex cost to taxation \(\tau^2/2\).
- Log-normal income distribution: \(Y \sim \ln N(\mu, \sigma^2)\).
- Voters receive concave utility from policy: \(u(\tau; y)\).
- Party \(p\) has policy ideal point \(\tau(y_p)\), but wants rents from office \(W > 0\). All parties \(p \in P\) choose a platform—a probability distribution \(h_p(\tau)\) over \(\tau\).
- Two party strategy restrictions:
  1. Intra-party heterogeneity: must place positive probability on median voter’s ideal point \(\tau(y_m)\). Implication: parties use ambiguity to move toward ideal point.
  3. Justification: hard to send messages with discontinuous probability functions; messages not perceived with weight proportional to usage.
- Define platform ambiguity as the interval \([\tau_l, \tau_r]\) of policies chosen with positive probability (the support of \(h_p(\tau)\)).

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**Majoritarian systems**

**Game structure:** (1) a left and right party simultaneously commit to \(h_l(\tau), p = l, r\); (2) sincere voting given policy utility and common (uniform) valence shock (probabilistic voting); (3) election is decided by plurality rule and winning party implements the realization of \(h_l(\tau)\).

**Results and intuitions from the unique SPNE:**

- Equilibrium platforms \(h_l(\tau)\) reflect: concavity of utility function; convexity of tax cost; party ideal points and probability of winning.
- Effect of a mean and median-preserving increase in voter income inequality (add \(\varepsilon > 0\) to all \(y > y_m\) except \(y_l\) and subtract \(\varepsilon\) from all \(y < y_m\) except \(y_l\)); under a reasonable condition (such that utility concavity over-powers tax inefficiency convexity), a rise in voter inequality increases the ambiguity of left parties; under some conditions right parties also become more ambiguous.

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**PR systems**

**Game structure:** (1) left, median and right parties commit to \(h_l(\tau), p = l, m, r\) knowing bargained policy is a weighted average of coalition partner platforms; (2) rise in income inequality increases vote share of \(l\) and \(r\) at expense of \(m\); (3) coalition formateur is chosen probabilistically, increasing in vote share; (4) Baron-Ferejohn bargaining until majority coalition found.

**Results and intuitions from unique stationary SPNE:**

- Formateur always successfully proposes a winning coalition; \(m\) may form a minority government with the support of at least one party; both \(l\) and \(r\) must include \(m\) in a winning coalition and provide sufficient policy benefits to ensure \(m\) prefers to accept their offer than wait for another formateur.
- A mean and median-preserving increase in voter inequality increases the ambiguity of \(l\) and \(r\).
- Logic: given non-centrist parties must appeal to the median voter, they increase ambiguous to commit to a policy closer to their ideal point when income inequality increases their bargaining power.

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**Some testable hypotheses**

- **H1** Platform ambiguity rises in PR systems as income inequality increases, and often rises in majoritarian systems.
- **H2** Left parties become relatively more ambiguous as income inequality increases than right parties, especially in majoritarian systems.
- **H3** Left parties are less ambiguous platforms than right parties when income inequality is low.

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**Data**

Examine 15 Western European democracies: 2 largest parties in majoritarian systems; 3 largest in non-majoritarian. 108 observations.

Dependent variable: party platform ambiguity = standard deviation of expert survey scores; 1999, 2002, 2006 Chapel Hill surveys. 5 to 18 experts per party.

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**Statistical model**

**OLS with all interactions:**

\[
\beta_{ijt} = \beta_0 + \beta_1\text{market inequality,}_j + \beta_2\text{right partisanship,}_p + \beta_3\text{majoritarian,}_j + \beta_4\text{market inequality,}_j \times \text{right partisanship,}_p + \beta_5\text{majoritarian,}_j \times \text{right partisanship,}_p + \beta_6\text{market inequality,}_j \times \text{majoritarian,}_j + \gamma_{ijt} + s_{ijt}
\]

Controls: incumbent, growth, competition, vote share, years until election. Cluster SEs at country level; use block bootstrap for robustness.

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**Results**

Positive correlation for market inequality without interactions (H1).

Support conditional hypotheses: H2 (left); H3 (right). No triple interaction.

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**Graphs**

Generally robust: wave, country and party FE's; AR1 correction; WLS by # experts; Benoit-Laver single-wave dataset with more majoritarian cases.