DIVIDED GOVERNMENT IN CANADA

by

JULIA KATE LOCKHART

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Department of Political Science
The University of British Columbia
Vancouver, BC Canada
ABSTRACT

Divided government in Canada refers to the common situation when the federal and provincial governments are held by different political parties. The study of divided government can aid in the understanding of voter behaviour. The thesis reviews the relevant literature on divided government, split-ticket voting and party identification in Canada and the United States. From the literature several voter strategies are extracted that describe the possible individual level processes that result in the aggregate outcome of divided government. This linkage, between individual decisions and collective outcomes, is crucial to understanding divided election outcomes and it is to the exploration of this concept that the thesis contributes. Using a dataset of party vote shares in provincial and federal elections from 1904 to 2003, the thesis looks for aggregate effects of the individual level strategies that it identifies. The thesis argues that divided government in Canada is a result of staggered election timing and policy learning across levels which combine to produce a cyclical effect in election results.
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DEDICATION

To Dad, who taught me to reach for the stars.
To Mom, who was there to catch me when I fell.
CHAPTER 1 - INTRODUCTION

Divided government occurs in political systems which permit voters to express preferences by casting ballots for more than one institution. The most famous example of divided government is American, when the Presidency and Congress are held by different parties. Divided government can also occur when the two chambers in the legislative branch are of different partisanship. In essence divided government refers to those times when two governments within one country are held by different (and usually competing) political parties. Thus while much of the divided government literature focuses on division within the US federal government, federal constitutions in general provide opportunities for divided government. The theories which are used to explain divided government in the US can be modified to fit the different, but structurally similar, institutional context of federalism. In doing so we can hope to explain more generally how voters respond when faced with more than one choice in a political system.

This paper considers the electoral causes of divided government within the Canadian federation. How and why do Canadian voters select different parties for their provincial and federal governments? The Canadian case is perhaps best understood as one of divided election outcomes. Because the voters in any given province cannot unilaterally decide the federal election outcome, divided government outcomes are not consistent across the country nor are they necessarily the product of a conscious choice. Nevertheless divided election outcomes (or divided government as the results will be known in this paper) occur frequently.

There are two reasons why the study of divided outcomes is important. First, divided government may impact policy outcomes and governmental strategies. When
division occurs within one institution it is more likely that policy impacts will be visible. Therefore, it is from this perspective that much of the American research began. The second reason is that by studying divided government we may learn more about how voters make decisions and use information when going to the polls. It is this reason that motivates much of the Canadian research. Divided government represents the aggregation of a set of choices by voters. When division occurs it is a product of voter choice. This, more behaviouralist, interest is what provokes the research conducted in this paper. Divided government is an electoral puzzle. In the process of explaining it we may learn about more than just the specific calculations at hand. It is for this reason that the study of divided government is particularly useful within the Canadian context.

Anecdotally, many Canadians have experienced divided government when their provincial government was held by a different party than the federal government. Considering the federal elections held since 1904\(^1\) in each province separately, voters chose the same party as their provincial government, on aggregate, for the federal government only about 44% of the time. That is to say that less than half of the time voters chose the same party at a subsequent federal elections as the party they chose provincially. The provincial elections held since 1904\(^2\) produced unified results only 35% of the time. Overall only about 40% of elections in Canada produced unified government with the same party holding the provincial and federal governments. Broken down by province, Nova Scotia elections produced the highest percentage of unified governments, with 61% of all elections (federal or provincial) resulting in unified government. Alberta elections, unsurprisingly given that the federal voting patterns of

\(^1\) Excluding the June 28, 2004 federal election.
\(^2\) Up to the June 9, 2003 New Brunswick election.
Albertans are usually at odds with the outcomes of federal elections, produced the fewest unified governments at 15%, followed by Ontario at 26% and BC with 27%. Clearly then, this effect is not simply a product of geographic and regional tensions on the federal level. While provinces that are more alienated from the federal government do display more of a tendency towards divided government, even in Ontario (the province that contains a third of the federal seats) unified government occurs at a rate below that of the national average.

There are any number of possible theoretical causes for these results. The results presented in this paper do not conclusively reject or support any of the explanations presented below. Rather, given the limitations of the data available, the paper attempts to outline the possible voter strategies at work and to identify any aggregate trends that are visible. The paper will begin by reviewing the relevant divided government literature. A large portion of the literature is devoted to balancing and moderating explanations of divided government. While balancing theories originated in Canada, they have been rigorously tested in the American context. An attempt will be made to link our understanding of divided government and party identification. While divided government in Canada is not a particularly well studied area, those who study party identification have long been interested in split-identifiers who are probably linked in some way with divided government outcomes. It seems natural to assume that if one carries one’s federal and provincial party identifications separately to the extent that they are in many cases different, one might also vote differently in federal and provincial elections such that divided government ensues. From the party-focused literature a cyclical or policy learning perspective on divided electoral outcomes has also emerged.
The paper will also consider incumbency, issue ownership, and timing effects in the US context. While some of the specifics of US theories do not translate well to the Canadian case many of their assumptions about voter strategies can be manipulated to fit the federal context.

The paper will then present five possible strategies that Canadian voters might be using. This section will outline the strategies and what the effect of those strategies would be on an aggregate level if every voter used the same strategy in the same conditions. In this way the paper will attempt to overcome the difficulties presented by having access only to aggregate level data. The key insight of this section of the paper is that divided government may be the result of different voters responding in different ways to their electoral choices. Obviously all Canadians do not respond to events and choices in exactly the same fashion. Different voters will employ the identified strategies depending on their level of political information and partisanship. All of the strategies identified below may well be at work though it may prove difficult to identify which are dominant from aggregate level data alone.

These strategies fall into two broadly conceived categories, intentional models and unintentional models, based on the strategies’ understandings of the thought process being used by the voter. The two balancing models are intentional strategies:

- a policy balancing strategy in which voters consciously choose to balance the parties in power based on their preferences for more moderate policy outcomes;
- an interest balancing strategy in which voters express their preference for particularistic regional or provincial benefits in the interest balancing model.
There are three remaining strategies that all produce divided government unintentionally as a result of the lack of coordination in the timing of federal and provincial elections:

- a general evaluative model which assumes that voters cannot distinguish between federal and provincial policy areas or outcomes and that they simply evaluate the total policy environment before casting their vote;
- a level-specific model which is similar except that voters using this strategy evaluate the federal and provincial policy arenas separately;
- a policy learning model which suggests that voters use information gathered at both levels to update their party preferences based on how those parties perform in government.

Voters using intentional strategies (policy and interest balancing) choose divided government. Voters using unintentional strategies (general evaluative, level-specific evaluative and policy learning) produce divided government by accident. These people would like to be consistent across levels but because they only ever get to vote on one level at a time and because provincial electorates do not have complete control over federal outcomes they cannot always succeed in producing consistent results.

The empirical section of the paper will focus on aggregate election outcomes in Canadian federal and provincial elections since 1904. The dataset, the most complete built so far, incorporates all parties in all provinces at both levels. The paper suggests a model to capture both intentional and unintentional divided government effects. Eight models are estimated. For both arenas, each major political party (Conservative, Liberal and New Democratic Party) is modeled separately. A final model for both the federal and provincial arenas is fitted with all three parties combined. While the models cannot
fully test the theoretical positions outlined within the paper, they do provide evidence to suggest that divided government is not an intentional outcome of voter choice.
CHAPTER 2 – LITERATURE REVIEW

A large number of different theories have been used to explain divided electoral outcomes in both Canada and the United States. The most prominent explanations in both countries rest on a notion of balancing or moderation. Balancing theories suggest that in a polarized party system voters will choose to divide election outcomes to achieve more moderate policy results. Using both aggregate and individual level data these balancing explanations have been empirically tested in Canada, the US and Germany. Recently, in response to the growing US literature, balance theory has been reapplied to the Canadian case with mixed results suggesting that divided government may be the result of either timing or policy learning. Other theories have also emerged in both countries. US literature emphasizes a variety of other explanations including incumbency effects and gerrymandering. The partisan “ownership” of various issues and as a result various branches of government is another strand explored in the US literature. Finally, some research has suggested that divided government is the product of voters learning about parties’ policy positions between staggered elections. This chapter will explore these different conceptual explanations of divided government in turn.

Balancing

While the notion of policy balancing is typically understood to be an American concept, it was “introduced by students of Canadian politics long before its contemporary application to American politics.”3 Frank Underhill first articulated the balance theory stating that “by some instinctive sub-conscious mental process the Canadian people have apparently decided that, since freedom depends upon a balance of power, they will

balance the monopolistic power of the Liberal government at Ottawa by setting up the effective countervailing power not in Ottawa but in the provincial capitals."

Interestingly, Underhill viewed the voting decisions that produced this pattern with disdain, suggesting that it was a failure on the part of federal opposition parties to provide a credible alternative to voters. Dennis Wrong's study of party voting in Canada also describes a balancing effect. He argues that Canadian voters have chosen "to counter the power of the national administration not by electing a strong federal opposition but by voting against the Liberal Party in provincial elections." Bill Reeves and Roger Gibbins worked to estimate the effect of balancing on the Canadian electorate. They write that "at least in the short-run, we encountered no support for a balance hypothesis." Reeves and Gibbins make an interesting point noting that bandwagon effects imply the integration of federal and provincial elections while balancing suggests that the relationship between the two levels is primarily conflictual.

In contrast to these negative results, Robert Erikson and Mikhail Filippov find evidence to support the balance model. Erikson and Filippov use a limited dataset consisting of those provincial elections that follow federal elections from 1949 to 1997. They also restrict their analysis to the Liberal party because it was a both a major federal and provincial party. Erikson and Filippov regress vote swings from one provincial

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7 Reeves and Gibbins, 4.
8 Erikson and Filippov, 318.
election to the next as well as swings from a federal election to the next provincial one on a dummy indicating whether the Liberal party was in power federally. The coefficient for the dummy is negative leading them to conclude that the Liberal party suffers when in power federally, consistent with the logic of balancing. Expanding the regression to include prior federal election outcomes as an independent variable produces similar results. While the results contained within this paper will challenge those presented by Erikson and Filippov, it is important to note that the balancing explanation in the Canadian context is not without its supporters. Balancing is not a "straw man" set up to be knocked down by academics looking for something interesting to write articles about.

Balance theory was also proposed in the US as a possible explanation for the regular loss of seats that the President’s party experiences at midterm elections. Robert Erikson, in his study of midterm loss, proposes four potential explanations of the phenomenon: regression to the mean, a surge and decline effect, referendum on presidential performance, and a presidential penalty. Regression to the mean states that midterm loss is a function of the loss of the presidential coattails. Surge and decline is a turnout based argument which suggests that on-year elections energize large segments of the electorate while midterm elections are decided by "core partisan voters." The referendum model may at times be difficult to distinguish from the presidential penalty, but the key is that the referendum theory rests on evaluations of presidential performance; the mere fact of holding the presidency, in this model, is not enough to cause the midterm loss. The presidential penalty model incorporates both negative voting and policy

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10 Erikson, 1013.
balancing. Erikson draws a connection between this model and the early Canadian literature including Underhill and Wrong.\textsuperscript{11} Erikson conducts a study of the relationship between Democratic vote in midterm and on-year elections. He discovers that data support the presidential penalty explanation to the exclusion of the other possible models. Erikson states that “the presidential penalty at midterm appears to reflect more than voters’ unhappiness with their president.”\textsuperscript{12} However he declines to conclude whether this represents balancing or negative voting because of the limitations of aggregate data.

Alberto Alesina and Howard Rosenthal develop and expand on the concept of the presidential penalty, specifically the policy balancing strand. Defying the logic of the median voter theorem, Alesina and Rosenthal assert that the Democrats and Republicans do \textit{not} have the same policy preferences.\textsuperscript{13} Their claims about the polarization of parties are key to the logic of balancing. Because policy outcomes are a product of both the policy preferences of the executive and the legislature, those voters located between the parties’ ideal policy points face a choice: they can either vote a straight party ticket for the party closest to them or they can split their ticket in the hope of producing more moderate outcomes with both parties working together (or against each other). Alesina and Rosenthal argue that “middle-of-the-road voters … take advantage of [the] legislative-executive interaction in policy formation to bring about moderate policy outcomes.”\textsuperscript{14} They support their theory by stating that there is a relationship between the size of the midterm loss for the President’s party and voter surprise over the outcome of

\textsuperscript{11} Erikson, 1014.
\textsuperscript{12} Erikson, 1027.
\textsuperscript{14} Alesina and Rosenthal, 44.
the Presidential election. When voters are surprised by an election outcome it often means that they incorrectly forecast the result of the election and therefore balanced (or didn’t balance) inappropriately.

Morris Fiorina categorizes possible explanations of divided government into two groups: accidental and intentional models. While Fiorina does not come to a firm conclusion as to the causes of divided government, he makes a useful contribution to the balancing literature by describing a low information application of the balancing logic. He argues that voters do not have to choose consciously to balance in order to actually do so. He states that “having made a decision to support Bush and feeling less than enthusiastic about it, [voters] may be predisposed to listen to Democratic appeals for other offices.” In doing this, voters show a vague appreciation for the larger decision making apparatus. Obviously the predictive power of this theory is limited in a party system with more than two parties or if different parties compete at the two levels. Fiorina argues that “people could be voting as if they are making conscious choices to divide government even if their individual decisions are well below the conscious level.” What is particularly interesting about this claim is that it suggests that we may never be fully able to determine the reasons that people split their tickets. For if voters use the balancing strategy subconsciously, it would be difficult to prove or measure even with access to sophisticated individual level data.

Many more authors have taken up the theoretical framework presented by Alesina and Rosenthal and have undertaken empirical tests of the various balancing assumptions

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15 This distinction that is carried through this thesis.
17 Ibid.
and predictions. Some have found direct evidence of individual level support for policy balancing.\textsuperscript{18} Others assert that because policy balancing is a relatively sophisticated voting strategy, it is typically only used by those with high levels of political knowledge. James Garand and Marci Glascock Lichtl state that, while the basic models provide no support for policy balancing, "when the effect of preferences for divided government on split-ticket voting is mediated by political knowledge, [their] results provide reasonably strong confirmation for [balancing]."\textsuperscript{19} In contrast, Walter Mebane and Jasjeet Sekhon assert that while policy balancing or moderation is the end result of people's electoral choices this is not a reflection of a preference for divided government per se. It is simply a product of an institutional structure that channels "each elector's selfish efforts in such a way that collectively there is a moderated result."\textsuperscript{20} Electors, they argue consider each others' choices, recognize that the election will likely produce a moderated result and vote accordingly.

Those that find evidence of policy balancing (sometimes called cognitive Madisonianism\textsuperscript{21}) usually deal with individual level data. There are some difficulties using individual level survey data because policy balancing is a relative complicated concept to test within the confines of a telephone survey. Moreover if one accepts that preferences for divided government cannot be separated from partisan preferences it can

\textsuperscript{20} Walter Mebane and Jasjeet Sekhon, "Coordination and Policy Moderation at Midterm" \textit{American Political Science Review} 96 (2002): 141.
\textsuperscript{21} Everett Carll Ladd, "Public Opinion and the 'Congress Problem'" \textit{The Public Interest} 100 (1990): 66-67.
be difficult to design a survey question that permits voters to be true to their thoughts.\textsuperscript{22} This is an interesting argument because it suggests that there is no perfect dataset for the study of divided government. Aggregate data is limited in its explanatory power because it cannot explain \textit{why} voters vote the way they do. Individual level data is flawed because the "why" is too hard to probe effectively in a telephone survey.

It is hard to adapt the balancing model to a political system with more than two parties. The presence of a third party suggests that voters already have a moderate choice in the form of the middle party. Alesina and Rosenthal offer no insight as to how a middle party might affect the strategic calculus undertaken by voters. Nonetheless, the balancing model has been exported to the multi-party German federation. Susanne Lohmann, David Brady and Douglas Rivers conducted a study of the roles of party identification, retrospective voting and moderation in West Germany. They argue that the "moderating elections hypothesis provides an alternative explanation for the puzzle why midterm vote losses in by-elections or Land elections do not necessarily translate into vote losses in national elections."\textsuperscript{23} After demonstrating that policy outcomes depend on both the national and Land elections, they argue that middle of the road voters may use the federal system to achieve more moderate outcomes than would be possible by voting a straight ticket. The German case is particularly interesting because of the presence of a third party though in the German case the third party is usually part of a coalition government. Lohmann, Brady and Rivers conduct a regression of the swing in

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party vote share from national to Land elections on GNP growth and incumbency. They find that the national incumbency dummy is significant in most variations of the model leading them to conclude that there is some element of moderation contained within the German election results. The models show that retrospective voting and party identification also drive vote choice.

*Incumbency*

While balancing theory dominated much of the early Canadian research, early US studies of divided government focused on the role of gerrymandering and incumbency in perpetuating divided control. While Canadian politicians at both levels of government do not enjoy the personal incumbency benefits of members of Congress, there is some evidence to suggest that provincial governments are often dominated by one party for a long period of time creating a type of incumbency advantage. Many Republican activists focused on the Democratic control of many state legislatures (the bodies responsible for redistricting) as the cause of the Democratic strength in the House. They argued that because Democrats controlled the redistricting process, they had the capacity to transform marginal districts into Democratic strongholds.\(^{24}\) Because the traditional pattern of divided government was a Republican president combined with a Democratic Congress, this seemed to be a plausible, if somewhat partisan, explanation for the phenomenon. However it seems that most political scientists reject this line of reasoning because it implies that divided government is caused by Republican House votes being wasted rather than by split-ticket voting.\(^{25}\)

\(^{24}\) Fiorina, 16.  
\(^{25}\) Ibid.
Another possible explanation for Democratic strength in the House is the power of the incumbency effect. Because most incumbents are re-elected and because once a party takes control of the House by definition a majority of the incumbents are from that party, it seems that there is likely to be a strong tendency for that party to retain control. The second part of the incumbency argument is that "on the basis of performance and issues, the contemporary electorate favors Republican presidential candidates." While House races are dominated by incumbency which favours the Democrats, the presidential contest is dominated by Republicans. While this logic is certainly compelling, it does not explain the switch in partisan roles in the 1990s nor the level of ticket splitting in open seat races.

Barry Burden and David Kimball also approach the problem from an incumbency oriented perspective that can be translated into the Canadian context. They study divided government at the aggregate level arguing that it is an aggregate result and is therefore best studied at that level. They assert that ticket-splitting is best understood at a district level. In the Canadian case, the equivalent of this approach (and the one undertaken in this thesis) is to study the problem on a provincial aggregate level. Burden and Kimball note than in many districts the House race is not competitive either because one party declines to run a candidate or because one of the major party candidates is substantially better funded or more experienced. In many provincial elections, the same could be said for one party or another. This is, in a way, an expansion of the incumbency argument presented earlier. Burden and Kimball argue that "divided government is largely an

26 Ibid, 21.
accidental creation, a by-product of lopsided congressional races around the country that foster split-ticket voting."28 In contrast to the policy balancing perspective, which sees ticket-splitting as a full expression of voters’ preferences, Burden and Kimball see divided voting as a reflection of the poor choices offered by uncompetitive House races. By extension, while one-party dominance in provincial elections may be the result of voter preferences, it could also be a result of simply having no credible alternative to the governing party. Divided government occurs in this model because voters are only able express their true preferences on the federal level, the level on which they are presented with a complete array of choices. On the provincial level they are “forced” to select the dominant party because the other options do not appear to have the capacity to form government.

Arena Separation and Issue Control

Another theory of divided government in the United States was advanced by Gary Jacobson. Jacobson’s study of the causes of divided government, published in 1990, focused on the traditional pattern of divided government: a Republican President facing a Democratic Congress. He argues that the causes of divided government are political: “the Democrats’ continued dominance of the House... despite Republican presidential victories is a consequence of electoral politics: of candidates, issues, electoral coalitions and voters’ reactions to them.”29 This challenged the conventional wisdom of many Republicans who asserted that divided government resulted from structural constraints that prevented them from winning their “fair” share of House seats. Jacobson asserts that

28 Burden and Kimball, 40.
voters understand that the President and Congress have different policy functions. Congress is responsible for local distributive concerns while the President handles foreign policy, defense and other national issues. Many voters want both low taxes, balanced budgets and responsible fiscal management as well as a strong military, good public education and quality social services. The dual election opportunities of presidential and house elections permit people to express both sets of preferences by voting for Republican presidential candidates and Democratic House candidates. This is because “perceived differences between parties coincide with differences in what people expect of presidents and members of Congress.”

After the Democrats took control of the Presidency in 1992 and Republicans the House in 1994, Jacobson had to update his theory of divided government. He argued that divided government provides political cover for both parties to enact unpopular policies. In this way divided government perpetuates itself. Once the partisan affiliations of the branches changed it became unlikely that it would change back because of the political cover afforded by divided government.

Building on the work of Jacobson, other US scholars have focused on the partisan control and “ownership” of issues and as a result branches of government. John Petrocik and Joseph Doherty advocate a theory of issue ownership. Issue ownership asserts that “ticket-splitting occurs when the issues dominating the presidential election differ from

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those attracting attention in the congressional contest."\textsuperscript{32} This argument is similar to that presented by Jacobson except that it does not tie specific issues to either branch of government allowing the theory to accommodate the switch in partisan affiliations that occurred in the early 1990s. Petrocik and Doherty use individual level data to test for correlations between professed support for divided government and ticket-splitting. They find instead that there “are very few correlates of expressed feelings about divided government.”\textsuperscript{33}

In Canada it is easy to see that provincial and federal governments might own different issues. In a federal system, such as Canada, issue ownership is defined quite specifically in the constitution: federal and provincial governments have different areas of responsibility. Thus the more flexible notion of issue ownership, as presented by Petrocik and Doherty, does not translate well to the Canadian case as it ignores the constitutional imperative. Issue control in the Canadian context must become a type of arena control with specific parties showing particular strength at one level or the other. Within the Canadian context, the argument for arena-separation is best presented by Donald Blake in his book \textit{Two Political Worlds}. In it he studies the relationship between federal and provincial voting and partisanship in British Columbia. Blake notes that in the two elections held within 12 days of each other in May of 1979 British Columbians voted in dramatically different ways. He states that “the provincial and federal elections


\textsuperscript{33} Petrocik and Doherty, 105.
in May 1979 were close in time but distant in psychological space." The returns for the two elections were very different: federally British Columbians voted Conservative while provincially Social Credit won. Blake argues that this was because the issues were very different in the two arenas and the voters were able to make those distinctions and act accordingly. He asserts that this type of separation is not just a result of the BC party system in which the competitive parties at one level are minor parties on the other level.\textsuperscript{35}

Richard Johnston’s early work on divided government also approaches the problem from the perspective of parties and party cohesion. First, he highlights the challenge of determining the election pairs that are of interest in the Canadian case when election timing is not as regularized as in the United States.\textsuperscript{36} After determining that the most important consideration is to select those elections which are closest in time, he proceeds to examine the possible effect of voter abstentions on divided election outcomes. Johnston concludes that the changes in partisan outcomes across levels are not the result of selective abstentions based on his comparison of the net change in vote share including those voters who reported not voting. A second explanation for individual level choices for division explored by Johnston is the possible correlation between political involvement and casting different federal and provincial votes. While there are good theoretical reasons for this correlation to exist, he finds no conclusive support for the relationship. Finally, Johnston tests to see if particular social or religious groups are more likely to switch their votes across levels. Again while some patterns emerge, they

\textsuperscript{35} Blake, 168.
are trumped by the differences across provinces. Johnston’s study suggests then, in contrast to the argument advanced in the introduction, that divided electoral outcomes may well be the result of the different provincial party systems and arena separation.

*Cycling*

A final perspective on divided government, which originated in Canada, suggests that these outcomes are the result of having staggered elections which permit voters to learn about parties’ policy preferences and positions. This more unintentional model was described by R. MacGregor Dawson. He suggested that the pattern is that “first, the great majority of the Dominion and provincial governments will belong to the same political party; second, the provincial governments will begin to fall away to the opposition party or parties until these are in a majority; third, there is an overturn in the Dominion Parliament.” Howard Scarrow notes that while election results seem to indicate alternation and therefore balancing, he believes that what is more impressive is the “frequency of instances where the result of a provincial election has correctly forecast the result of the succeeding federal election, and vice versa.” This suggests that divided government is actually a product of cyclical victories with staggered elections rather than of balancing. He further argues that the Canadian experience of divided government and alternating elections is not inconsistent with the experience of other federations. He argues that perhaps alternating voting patterns are the result of turnout differentials between federal and provincial elections. Scarrow rejects the notion of intentional balancing on the part of the voter as the underlying cause of alternation and division.

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stating that “Canadian politics are far too complex to permit a simple interpretation such as the ‘balance’ theory to explain alternating party choice.”39 Canadian political scientists have not always clearly drawn the distinction between this cyclical model and the balancing model described earlier. For example George Perlin and Patti Peppin consider Dawson’s statement to be a variation on the ideas identified by Underhill.40 This type of confusion is concerning because it fails to recognize the fundamentally different motivations that underlie balancing and cycling. Balancing is an intentional act; cycling is an unintentional by-product of the political system.

Party identification obviously has links to voting behaviour. Given that Canadians have the opportunity to vote on more than one level, they often identify with political parties differently across levels. Marianne Stewart and Harold Clarke model a relationship which takes these connections into account. They include in their model a retrospective evaluation of party performance which they use to link the federal and provincial arenas. Stewart and Clarke assert that “federal systems do not erect firewalls that hermetically isolate federal and provincial politics in people’s minds.”41 In keeping with the public choice literature, they argue that “although voters may apply contextually conditioned discount rates, they will not ignore a subset of information they have gathered because it concerns party performance in an arena other than one in which partisan updating is occurring.”42 Stewart and Clarke suggest that the dual party

39 Scarrow, 297.
42 Stewart and Clarke, 106.
identification, that Blake argues is part of what produces divided election results, is actually part of the same instability that characterizes the party systems over time. They see party identification as only one part of the information that voters take with them to the polls. For Stewart and Clarke, negative retrospective evaluations of a party at the other level can work to produce divided government as well as dual partisanship. It is the combination of retrospective evaluations and staggered elections that produces the cyclical relationship between the two levels.

Richard Johnston and Fred Cutler also apply a cycling model to divided election outcomes in Canada, arguing that while federal and provincial voting decisions appear to be connected, the relationship is not one of balancing. They first note that divided government is a frequent occurrence in Canada and, as was noted in the introduction, not just a product of regional political differences. They identify three possible theoretical explanations of divided government: by-product of federalism, balancing, rise-and-decline. Using their dataset of provincial elections that follow federal elections since 1908, Johnston and Cutler note that the swing from a federal to a provincial election within a given province is usually quite large. This suggests that there are some fundamental differences between the parties that run in federal elections and those that run provincially. Such an insight is not inconsistent with the party identification literature described above. Johnston and Cutler eliminate much of the difficulty presented by these separated party systems by using swings rather than straight vote shares. This technique is carried forward in this paper for reasons described below. With

the limited dataset that they constructed consisting only of provincial and federal swings for national winners in the past federal elections they test for evidence of the aggregate effects of balancing and cycling. They conclude that “movement in one arena is shadowed by like movement in the other.”\(^{44}\) Furthermore, Johnston and Cutler suggest understanding of the causal reasoning behind this linkage may be aided by individual level data. However as was noted above with reference to the US divided government literature, it is not clear that such data could ever give researchers access to individual reasoning that leads to the aggregate results of divided election outcomes.

**Conclusion**

The above literature review highlights the variety of possible explanations that have been advanced to explain divided government in Canada, the United States and Germany. While the specific tests contained within many of these works might not be easily replicable in the Canadian case, the next chapter will attempt to draw out how each of these theories can be interpreted on the individual level because, at the end of the day, vote decisions are made on the individual level. In making the connection from the theory to the individual level decisions and then back up to the aggregate results, the paper will fill in some of the gaps in the literature so far. The balancing model needs to be adapted to a three party, federal context. The party effects experienced by voters must be specified. Retrospective concerns and the general separation of the two levels of government must be taken into account. It is to these issues that the paper will now turn.

\(^{44}\) Johnston and Cutler, 13.
CHAPTER 3 – VOTER STRATEGIES

Based on the literature reviewed above, the paper will now attempt to describe how individual voters might react to the strategic environment provided by divided electoral opportunities. While divided government is an aggregate level phenomenon, voting decisions that take place at the individual level are its cause. This means that every theory of divided government must rest on some kind of individual-level process. There are a variety of different processes that can be drawn out from the theories presented above. These different strategies, once aggregated, predict very different patterns of divided and unified government. Some of these strategies (policy and interest balancing) imply an intentional choice consistent with some portions of the literature while others (evaluative and policy learning models) offer a more unintentional perspective. The policy balancing strategy is drawn out from much of the balancing literature explored above. The interest balancing strategy represents an attempt to apply balancing to the three-party federal system in Canada. The two evaluative models (general and level-specific) imply that divided government is the result of staggered elections as voters change their retrospective evaluations over time. The policy learning model also suggests that divided outcomes are the result of timing as voters use the gaps between elections to learn more about the policy preferences of the competing parties.

Different voters use different strategies and as a result it is difficult to determine from overall election outcomes what dominant strategies (if any) exist. In fact assuming that all voters employ the same strategic calculus is a simplification that undermines much of the previous work in this area. This paper will attempt to describe the various possible voter strategies and the thought processes of the voters that employ those
strategies. The paper will also describe the predicted aggregate results if every voter used that strategy and the voters were normally distributed across the policy space. The goal is to determine whether any of the patterns found within the aggregate data are more consistent with some strategies than with others.

Policy Balancing

The first strategy is derived from the American divided government literature. It is most commonly referred to as the policy balancing theory of divided government. This model at its most basic level consists of two parties (call them D and R) competing in a one-dimensional (usually Left-Right) policy space. The political parties, despite the logic of the median voter theory, are assumed to be more extreme than the preferences of moderate, centrist voters.\textsuperscript{45} Specifically, party D is to the left of the median voter while party R is to the right. Behaviour of voters to the left of party D’s ideal point and voters to the right of party R’s ideal point is easy to predict. These voters will obviously select the party that is closest to them at every election as they prefer policy outcomes that are more extreme than the political parties espouse. It is the behaviour of voters located between the two parties that is considered important under balancing theory. These voters prefer policy options that are more centrist than those presented by either party. In any one election these voters are forced to choose a party that is more extreme than they would actually prefer. In any system, however, that permits people to vote more than once (such as a presidential system, a two-chamber system or a federal system) these moderate voters have the option of casting contradictory ballots. With two elections, voters may choose opposite parties to produce outcomes which are closer to their

\textsuperscript{45} Alesina and Rosenthal, 16.
preferred location. This theory rests on the idea that the two levels of government being
elected interact in some way to produce policy outcomes so that voters can reasonably
expect the winners at one level to check the winners at the other level.

In a three party system the simple logic of this argument is more difficult to apply.
Imagine again a one dimensional policy space with three parties arranged right to left:
party C, party L and party N. There are obviously still voters whose policy preferences
are more extreme than those of either party C or party N. As in the two party model the
votes of these people are easy to predict; they will select the party that is closest to them.
The voters located between the extremist parties C and N are still the focus of the balance
theory. It is not clear, however, how one would go about balancing policy preferences.
Obviously the party in the middle, party L, is likely to benefit from the existence of more
moderate voters who would presumably choose them over either of the extremist parties.
Yet the very existence of this centrist, moderate party challenges the logic of the
balancing argument. Alesina and Rosenthal’s claims rest on the idea that the parties’
ideal policy positions do not converge to those of the median voter. A centrist party
confounds that logic.46 However, it is still possible to imagine some need to balance for
those voters whose ideal policy point lies between party C and party L or between party L
and party N.

Assuming that all voters use this policy balancing strategy and that voters’
preferences are distributed over the range of policy choices in a continuous, single-
peaked formation, the aggregate results would depend on a variety of factors. First, the

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46 Morris Fiorina suggests that third parties are in many ways the parliamentary
equivalent to ticket splitting, thus, in a way, agreeing that balancing in a three party
system is not as compelling an explanation. Fiorina, 121.
results would be affected by the relative positions of the parties over the policy space. For the purpose of this example, we will assume that the Liberal party’s ideal policy point is located at the median voter’s ideal point while the Conservatives and New Democrats are located an equal distance to the right and left of the median, respectively. Second, the results depend on the relative contributions of each government to policy formation. The relationship between the policy capacities of the two governments can be expressed in a simple equation: policy = q(federal policy) + (1-q)(provincial policy).47 The easiest way to model policy outcomes while allowing for both governments to be involved in the process is to assume that they both contribute equally, that is to say that q equals 0.5. Obviously this is simply an assumption; as will be examined below, the contribution of the different levels to policy formation varies by issue. Moreover the size of one’s province affects the extent to which the provincial government can alter the national policy outcomes.

While there are any number of possible variations to be considered, the paper will focus on two examples: one where an extreme party is in power at the other level and one where the centrist party is in power at the other level. For the purpose of the example we will consider the case of a federal Conservative government followed by the case of a federal Liberal government. In either case those voters located either to the right of the Conservatives (point C) or the left of the NDP (point N) will never vote for divided government as they prefer a more extreme policy. When the federal government is Conservative (Figure 1)48 all those voters who are located to the left of the Liberals (point

47 Equation adapted from Fiorina, 74.
48 While both Figure 1 and 2 are modeled for when the federal and provincial governments share equally in the overall policy outcome, it is easy to adjust the model to
L) or are closer to the Liberals than the midpoint between the Liberals and the Conservatives (to the left of point Y) will vote NDP. Those voters who are closer to the mid-point between the Liberals and the Conservatives will vote Liberal (voters between Y and Z), while those closer to the Conservatives than to the midpoint (to the right of point Z) will vote Tory. The voters that are engaged in balancing are those voters who vote NDP despite having true preferences that are closer to the Liberals (voters located between points NL and Y) and those voters who vote Liberal despite having true preferences that are closer to the Conservatives (voters located between points CL and Z). The aggregate outcome of this election will be a New Democratic government because the bulk of the voters will have selected the NDP either as part of a straight ticket or a balancing calculation.

When the Liberals hold the federal government (Figure 2), the results are less conclusive. An equal number of voters, located to the outside of points X and Y, will select either the NDP and the Conservatives depending on which side they are on. Those voters located inside points X and Y will vote Liberal. The overall aggregate results will therefore be hard to determine because while the Liberal party will occupy less policy space, more voters will be clustered in that space. The exact election results will depend on how tightly clustered the voters are around the median voter and the Liberal party’s ideal point. If the voters are very tightly packed it is possible for the Liberals to win despite holding very little policy space. The assumption that voters are distributed symmetrically around the median is also particularly important to determining the

accommodate other possible $q$ values. All one has to do is adjust positioning of the line labeled “total” to the appropriate ratio and the lines will fall at the correct location for interpretation. For examples see Figures 3 and 4 where $q$ equals 0.8.
outcome in this case. If either the left wing or the right wing is larger, they may well win the provincial election when a centrist party holds the federal government. There is some circularity to the patterns that emerge from the balancing model. Once an extreme party takes hold, the balancing theory predicts that the other level will adopt the other extremist party. This arrangement is an equilibrium; balancing theory does not predict any variation from the above pattern. Depending on the exact distribution of voters, Liberal governments at either level under this strategy could either be quite stable or could lead to minority government. Obviously because not every voter employs this strategy the equilibrium it produces is not necessarily what occurs nor is it necessarily stable. Those voters using other strategies may swamp the policy balancers, but the basic balancing strategy remains the same.

*Interest Balancing*

A possible variation on the policy balancing strategy that might make more intuitive sense within the Canadian context takes into account the regional tensions inherent in the federation. As was noted above for the policy balancing viewpoint to have value, the overall national policy must be some combination of the policy preferences of both the federal and provincial governments. In some policy areas, such as health care, higher education or the environment, this is likely to be true. However in other areas the boundaries between federal and provincial jurisdiction are clearer and more defined, for example the criminal code, welfare or foreign policy. Thus to balance policy positions in the Canadian context requires even higher levels of information for such a strategy to be effective. One must know which level of government is responsible for what aspects of the policy as well as the political parties' positions on the policy of
interest. A less demanding version of balancing can be drawn out from some of the Canadian literature on executive federalism.

In this strategy voters choose different political parties simply because they are different. The idea is that if the two governments are of the same party then the provincial government might be more willing to compromise at the expense of the province’s narrowly defined interests. Voters using this strategy believe that by selecting a different party at each level they ensure that no government will fold early in an effort to assist their partisan friends at the other level. Drawing this argument out even further, Steven Muller sees that there might be some benefit in electing a provincial party that has no federal wing. He asserts that “such an autonomous party, in essential control over the province, is free to bargain with both of the contending parties at Ottawa each time there is a Dominion election.” The fundamental tension in this strategy has very little to do with left-right policy concerns and much more to do with particularistic us-versus-them issues. Voters who want to ensure that their province always comes out ahead during federal-provincial negotiations will always vote for a party that is not in power at the other level regardless of the policy positions taken by any of the parties involved. That disregard for policy orientations makes this strategy substantially less sophisticated than the policy balancing strategy despite their apparent similarities.

This logic, which encourages division, can be turned on its head to encourage the matching of federal and provincial governments. Ian Stewart’s study of consistency in Prince Edward Island is particularly interesting. He notes that provincial political parties have campaigned both on platforms that encourage division and on platforms that

encourage matching depending on whether their party is in power federally.\textsuperscript{50} Stewart finds considerable historical evidence of parties campaigning based on the importance of having matching federal and provincial governments to ensure that the province benefits from the federal government.\textsuperscript{51} The idea behind this matching logic is that politicians are more likely to go out of their way to assist other politicians from their own party. This strategy of matching governments is not any more sophisticated than the strategy of dividing them. Neither strategy has anything to do with policy preferences or party identification. Stewart notes that while it might be tempting to suggest that unified government in a given province is the product of consistent party identification and voting, this is not always the case as not all provinces have a large enough impact in the federation to sway the outcome.\textsuperscript{52} This point will be elaborated on in the data analysis.

If every voter adopted this strategy the aggregate results would be quite easy to predict. If everyone voted to divide governments then you would never find unified government except in small provinces and then only for the time between a federal election that produced matching government and the subsequent provincial election. No provincial election would ever produce unified government because the federal government is fixed and provincial electorates have complete control over the election outcomes in their province. Federal elections will only produce unified government in those small provinces which previously had parties in government that were in opposition both in the federal government and the larger provinces. This is because voters in large provinces will never choose, under this strategy, to switch their federal votes to a party

\textsuperscript{50} Ian Stewart, “Friends at Court: Federalism and Provincial Elections on Prince Edward Island” \textit{Canadian Journal of Political Science} 19 (March 1986): 133.
\textsuperscript{51} Stewart, 135.
\textsuperscript{52} Stewart, 142.
that is in government provincially. In a three party system there is always the possibility
that different provinces may choose different federal opposition parties for their
provincial governments. Obviously the possibility of unified government occurring this
way would provide incentives for provincial electorates to choose parties that exist only
on a provincial level. This theory therefore may go some way to explaining the
dominance of provincial-only parties in provinces that are particularly alienated from the
federal government. In particular this strategy may describe the dominance of the Social
Credit party in BC and Alberta and the Union Nationale and Parti Quebecois in Quebec.

In contrast if every voter pursued the strategy of matching parties to produce
unified government we would expect the exact opposite. No provincial election would
ever produce divided government for the same reasons as used above under the strategy
of deliberate division. Similarly, federal elections would only produce divided
government in small provinces following the reverse logic of the argument previously
presented. Moreover the reaction to the other level for voters using this strategy should
be immediate; as soon as government is unified the voter should set out to divide it. This
implies that the gap between the elections is irrelevant to these voters. While it would
appear that this strategy cannot possibly be at work because provincial elections regularly
produce results opposite to those predicted, it is important to remember that each of these
strategies could to some extent be present in the population. Inconsistent results may just
be the product of those voters using this strategy being swamped by those voters pursuing
other more popular strategies.
Evaluative Strategies

Moving away from intentional balancing strategies, the paper will now explore the effects of retrospective party/policy voting. Both strategies are variants of the incumbent oriented retrospective voting strategies identified in the US literature. Voters using these strategies have adopted the simple decision rule that “if something good occurs give the incumbents credit for it; if something bad occurs blame them for it.”53 There are two possible variants of this strategy, one more complex than the other. The first strategy is a general retrospective evaluation, ignoring the differences between the federal and provincial governments. The second strategy requires more political knowledge to distinguish those aspects of the political climate that are the responsibility of the government up for election but still rests on voters’ individual evaluations of “how things are” politically. In either case division is caused by staggered elections.

General evaluative strategy

Using the first simple retrospective strategy each person judges how things are at the moment they go to the polls. The evaluation is general and broad. The voter using this strategy does not need to know what policies they prefer or which parties will deliver those preferred outcomes or which level of government is responsible for the issues in question; he or she must simply decide whether they like the current political climate or not. If the voter is unsatisfied with the current situation he will vote against the incumbent party. If, on the other hand, the voter is satisfied she will reward the incumbent party and vote for them. While voters in this strategy show little awareness of

the different responsibilities of the two levels of government, they are aware of which parties are in power in either arena. They are just as likely to punish the federal Liberals because the provincial Liberals are in power as they are to punish the federal Liberals for their own actions.

Predicting the aggregate results when all voters use this strategy is more difficult because of the possible permutations. Considering four different scenarios, however, should provide enough detail to understand the implications of the strategy. The first type of situation occurs when the voters like the current climate and the federal and provincial governments are held by the same political parties. The choice for these voters is simple; they reward the incumbent party (who just so happens to be the same as the incumbent on the other level). The second scenario is identical to the first, except the voters are dissatisfied with the current situation. In a three party system they can choose either of the two opposition parties that are not in government. This strategy provides no predictions about which of the two parties the voters will select because for voters employing this strategy it does not matter. However, given their distaste for the current government such voters may vote for the stronger of the two opposition parties in an attempt to coordinate with other voters to oust the government party. In the third scenario, the voter remains satisfied with the political outcomes, but the federal and provincial governments are held by two different parties. While the strategy described above gives no hints as to which party will be rewarded, it is likely that despite the general lack of political knowledge among these voters they would reward the correct incumbent at each election rather than rewarding the party in government at the other level. Finally, when the governments are held by different parties and voters are
dissatisfied, this theory predicts that the voters will choose whatever party is not in
government at either level. The aggregate implications of these four scenarios are
different. Moreover because the differences between many of the scenarios are merely
the perceptions of voters, it will be difficult to apply this theory to aggregate level data.
What is clear, however, is that divided government in this model is a function of the
staggered timing of elections permitting voters' evaluations of the political climate to
change between elections.

Level specific evaluations

A more sophisticated version of this evaluative strategy permits voters to analyze
which aspects of the policy environment at election time are the responsibility of the
government that is up for election. That is to say that while the voters have no specific
policy or party preferences, they can distinguish between which governments are up for
election and which are not. These voters evaluate the policy performance of the
government in question, ignoring the effects or responsibilities of the other level. In the
minds of voters employing this strategy the two levels are separate and their electoral
decisions are just as separate. Divided government, then, occurs when these voters' analyses of the political climates of each level are different. In contrast to all the
strategies explored so far voters in this theory do not draw a connection between the two
arenas. Some of the literature in Canada on party systems suggests that such a strategy
might not be unheard of. Donald Blake makes the case that because different issues
dominate the two arenas voters make their decisions separately. While his argument is
not necessarily retrospective in nature, the voters he studied simply drew a distinction
between the concerns that were relevant to the federal election and those that were
relevant provincially. The logic of his argument is not dissimilar to that in the issue ownership literature in the United States which suggests that some issues are best dealt with by some parties, though Blake’s claim might be more consistent with earlier formulations of the issue ownership literature that imputed ownership to institutions rather than parties.

The aggregate results of this strategy are not as difficult to get a handle on as the results from the overall evaluative model yet they still depend on voters’ decisions about how happy they are at the time of the election. Regardless of the level of the election, voters using this strategy will decide whether or not they are happy and then reward or punish the party in government accordingly. In a three party system, when voters decide to punish the government they are still left with a choice between the two parties in opposition. This strategy does not suggest how voters will choose between those two parties other than stating that the voters will *not* refer to any information gathered at the other level. If, however, the voters using this strategy are happy with the current government they will simply vote for the party in power. Because of the limits of the dataset, neither evaluative theory can be appropriately tested in this paper.

Understanding the use of both of the theories requires some information about voters’ levels of satisfaction with the government, and, for the second model, separate information for both the federal and provincial governments. Nevertheless, it is clear that these evaluative strategies combined with the staggered nature of Canadian federal and provincial elections may well help create divided government.
Cycling and Policy Learning

The final strategy that voters may use is the most complex yet at the same time the most intuitively satisfying. In this strategy voters use information from both levels of government to update their information about political parties’ policy preferences and competencies. Voters also rely on their party identification to help them when information about the parties is less readily available (for example when the party is in opposition on both levels of government). This strategy is consistent with the work of Stewart and Clarke. They suggest that it is “sensible for voters who have paid information-acquisition and deliberation costs to evaluate party performance at a given level to use those evaluations when updating their party identifications at the other level.”54 When faced with a choice at election time, these voters evaluate the policies of both the federal and provincial governments to determine what the parties’ true policy orientations are. They also use this information to determine whether or not the parties in government are “competent” to govern. This strategy is more consistent with the policy-oriented retrospective voting literature as these voters are concerned with which policies are enacted and not just what the incumbent is responsible for. These voters are more sophisticated because “instead of simply blaming the incumbent for any and all forms of economic difficulty, policy-oriented voters support the party which places a higher priority on attacking the particular … problem they are concerned with.”55 The information that is available to these voters then, depends on which parties are in government and whether government is divided or unified at the time of the election. If

54 Stewart and Clarke, 113.
55 Kiewiet, 8.
government is already divided then these voters have access to more information with which to make their decision than if government is unified.

Examining a few possible scenarios should help explain how these voters make decisions. Consider the situation of a voter in a province with a Liberal government while the federal government is also Liberal. During the upcoming provincial election this voter has the choice of either voting Liberal, Conservative or NDP. Unfortunately because government is unified this voter does not benefit from any additional information acquired at the federal level. Nonetheless the voter has learned something about the policies supported by the Liberal party and their capacities to implement those policies. If this voter was using a simple evaluative strategy she would then decide whether or not she was happy and vote accordingly. However, this voter is interested in more than a mere referendum on government performance. So instead she uses the information she has gathered to update her understanding of the Liberal party’s preferred policy. She then decides based on her own policy preferences (and assisted by her party identification) which party is the best fit. If the Liberal party in government has proven itself to be more leftist and the voter in question is a left leaning Liberal she will likely support them; however if she is a Conservative or right-wing Liberal she probably will not.

Consider now the same voter in the same situation except that the federal government is now Conservative. The voter now has access to information about the policies and competencies of both the Conservatives and Liberals. She can now use this information to determine which parties are most consistent with her own preferences. Perhaps the provincial Liberals are left leaning, while the Conservatives are more
centrist. If the voter prefers slightly right of centre policies she may choose to vote Conservative rather than Liberal because she knows that the Conservative party is a better fit for her preferences.

The aggregate implications if every voter used this strategy are likely less precise than those presented for the other voter strategies. Because every voter has different preferences, it is difficult to understand how they would aggregate over a whole province or country. However it is likely that because voters using this strategy update their preferences based both on federal and provincial information, the federal and provincial election results will to some extent track each other. Thus it is these voters who learn from both levels of government that structure the aggregate cyclical effects that many academics have noted. Cycling or the rise and decline model is explored in much of the Canadian literature, including Dawson, Scarrow and Johnston and Cutler. The argument presented by these authors is that "common forces... may pervade both arenas such that pressures for convergence exist, but the timing of elections produces leads or lags in the expression of these forces and, at least temporarily, divergence between levels."\(^{56}\) If voters use information from both arenas in making their choices at election time, the results of the elections at both levels should be linked in some way, unlike in the fourth model discussed where voters use information only for the level from which it was gathered. Therefore when analyzing aggregate data we would expect to see some connections between the trends on the federal level and the trends on the provincial level. Because of the irregular timing of Canadian elections, it will never be clear which level is

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\(^{56}\) Johnston and Cutler, 5.
leading and which level is following, nonetheless some cyclical connection ought to be detected.

Conclusion

The five strategies presented in this chapter outline the various ways that voters’ choices can produce divided government. The first two models are strategies that intentionally produce divided government. Voters using those strategies prefer divided government to unified government for either policy or regional reasons. The other three models suggest that divided government is more a product of unintentional timing effects than deliberate voter choice. Two of these timing based models consider voters that see linkages between the two levels of government and choose parties accordingly. In the other evaluative model, voters treat the two arenas as entirely separate. As was noted earlier the effects of these strategies will be difficult to measure because of the lack of individual level data. It is possible that there are voters out there pursuing all of these different decision making systems; however if any one system is dominant it is likely that the effects of that dominant system will swamp the results produced by the less popular strategies.

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57 This tension between intentional and unintentional models pervades much of the scholarship in this area. Fiorina makes a similar distinction between the literature that suggests that divided government is accidental and that which suggests that it is intentional. Fiorina, 143.
CHAPTER 4 - DATA ANALYSIS

The dataset analyzed in this thesis consists of data on party vote shares and election winners for the provinces and the federal government from 1904 to June 2003 excluding those elections for which no records could be found. The cases in the dataset consist of election years within provinces. Each provincial election is a separate case and each federal election produces 10 separate cases. The dependent variable is a measure of vote swing for a given party from one election to the next on a given level. For example, one of the cases of the dependent variable is vote swing for the federal Liberals in BC between 1997 and 2000. The independent variables are:

- a measure of the previous vote share (not swing) for the party of interest at the level of interest (PV). Carrying on with the previous example, this variable would be, for this case, the federal Liberals’ percentage of vote at the first election in the swing pair, that is, the 1997 election, in BC.

- a measure of the most recent vote swing for the party of interest at the opposite level prior to the second election in the swing pair (OPS). In the example, this would be the vote swing for the Liberal party in BC from 1991 to 1996, the most recent pair of elections that falls completely before the second election in the federal swing pair (that is, the 2000 election).

- a dummy variable indicating whether at the time of the second election in the dependent variable swing pair, the party of interest was in power at the opposite level (G). From the example, this variable would indicate whether the Liberals were in power in BC in 2000.
• the gap since the last election on the other level measured in months (GAP)\(^58\)
• an interaction between the swing on the other level and the gap since the last
election on the other level (OPS*GAP)
• an interaction between the other level swing and the dummy indicating whether
the party of interest was in power at the other level (OPS*G)
• an interaction between the gap since the last election at the other level and the
dummy indicating whether the party of interest was in power at the other level
(GAP*G)
• an interaction between the gap since the last election at the other level, the
dummy indicating whether the party of interest was in power at the other level
and the other level swing (GAP*G*OPS).\(^59\)

Based on the research of Johnston and Cutler, the data analysis contained within
this paper will focus on vote swings rather than straight vote shares. Using vote swings
for a particular party on a given level controls for some of the variation in party strength
across provinces. By using vote swings rather than vote shares we effectively eliminate
much of the regionalism in Canadian party systems. Vote swings, however, do not
control for the differences between federal and provincial party systems within a given
province. The model used below assumes that party names and labels have some

\(^{58}\) The federal model was also estimated including a quadratic measure of time (gap since
the last election on the other level squared). This was an attempt to account for the
possibility that the relationship between time and the vote swing was not linear due to the
existence of a "honeymoon" for new governments during which voters learn positive
things about the party in power. The coefficient on this term was insignificant for all
three parties, suggesting that the relationship with time is not quadratic.

\(^{59}\) When the model produced no significant results, it was re-estimated without the last
three interaction terms (OPS*G, GAP*G and GAP*G*OPS) in an attempt to determine
whether the interactions were masking the main effects.
important degree of significance for voters even when parties of the same name have very
different policy preferences. That is to say, voters in BC treat the Liberal Party of
Canada and the British Columbia Liberal Party as two parts of the same political
phenomenon. There are good reasons why voters with very low levels of political
information might make this assumption. However with even a small amount of
awareness about party policies it becomes evident that the two parties have very different
preferences. Whether or not treating parties of the same name as the same invalidates the
results of this study is unclear. The processes captured in the models below suggest that
there is a relationship between nominally similar parties despite any policy differences.
If the assumption is unfair then the net result would be to undermine the causal links
established by the various theories studied rather than to invalidate the empirical
conclusions about the causes of divided government. Thus the validity of this
assumption, while important in understanding how people go about voting, is not critical
to understanding the aggregate level electoral causes of divided government. The data
seem to indicate a connection in voters’ minds between parties of the same name; how
that connection got to be there is to a certain extent irrelevant to understanding its effects
on voting patterns.

The variables above were selected because they represent an effort to capture both
intentional and unintentional divided government effects. Clearly the challenge here is to
identify possible aggregate trends that might indicate individual voters’ thought
processes. The difficulty is that aggregate outcomes can mask the variety of different
patterns of behaviour. The overall vote swing in any given election is the result of
several million individual decisions. It is possible that a significant amount of intentional
division occurs but that these effects are swamped by world events or even larger numbers of unintentional decisions. To a certain extent the single member plurality electoral system also distorts aggregate election results as people’s voting decisions are altered by the landscape of the race in their ridings in a variety of ways that are not necessarily connected to notions of divided government. Thus the testable implications presented below represent generalizations about trends rather than specific information about causal processes.

Despite these aggregation problems, predictions for the signs and significance of each variable are contained within Table 1. From the table it becomes clear that with the data we have there is no useful way to distinguish between policy and interest balancing as those theories predict the same results. These intentional balancing strategies, at an aggregate level, look the same. As a result both strategies will be discussed together under the label of intentional balancing. The previous vote variable (PV), though important from an empirical perspective because it allows parties to experience bottoming and topping out (when a party has done particularly well or particularly poorly it is likely that in the next election that trend will reverse), is not very helpful in determining which strategy is at work for the predicted sign (negative) is the same for all five theories. Regardless of the strategy employed by voters, parties are expected to experience a bottoming or topping out effect over time. Therefore it has been omitted from both the table and the discussion. Similarly the main effect of the gap (GAP) since the last election variable and the swing, gap, win interaction (GAP*G*OPS) have no substantive importance and are therefore not discussed in the text. They are expected to be zero. The level specific model predicts no relationship for all variables except the
previous vote on the level of interest. This is because the voters employing that strategy should make no connections between the two levels. Because all the regressions contain some significant results, this model is also not discussed further below. The general evaluative model is very similar to the policy learning model. With the current dataset it is impossible to distinguish effects that are unique to it as it depends on voter evaluations of the general well-being of the Canadian polity. As a result discussion of the general evaluative model will be limited.

The critical variables are those incorporating the other level swing variable (OPS) and the dummy variable indicating whether the party was in power at the other level (G). The intentional balance theory predicts that the coefficient for the dummy variable G will be negative suggesting that a party is punished more harshly if it is in power at the other level. In contrast, the policy learning hypothesis suggests that the coefficient will be insignificant or positive indicating a movement towards that party (a ‘rise’) when it holds power at the other level. Moreover it is possible that holding a provincial government will confer benefits on that party in terms of organization, fundraising power and political experience. The coefficient for OPS using the policy learning model is expected to be positive as it is argued that a swing on the opposite level is likely to be matched by a similar swing on the level of interest as voters learn about the policies of the various parties and update their preferences. The intentional balancing theories provide no prediction as to the sign or significance of OPS as the relationship between the two levels is contingent upon the other level winner. Thus the intentional balancing theory predicts that the OPS*G interaction will be negative while the policy learning model predicts insignificance.
The effect of the interaction \( \text{OPS}^* \text{GAP} \) is important to modeling the policy learning hypothesis. The rise and decline model predicts that the coefficient will be negative because the larger the time difference between the two elections the more likely the party will have suffered a decline in the intervening months as voters update their information about the party of interest. In contrast, the intentional balancing theories predict that these timing measures will be insignificant as the reaction to the other level should be immediate, as policy balancers and interest balancers do not need to learn about the preferences of the various parties before they have a motivation to balance. Any type of lag or learning implies that voters are using the cyclical strategy and not a strategy of intentional division. Reinforcing this relationship is the interaction between the other level winner dummy and the gap term \( (\text{GAP}^*\text{G}) \). The balancing theory predicts that this variable will be insignificant because the response should be immediate while the learning model suggests that it will be either negative or positive as voters learn more about the party when it is in government at the other level.

Using these variables, six basic models must be constructed: one for each of three different political parties on two different levels. As the literature review suggests, the effects on the federal and provincial levels may well be different as the process of updating information on political parties may not be symmetric over the two levels. In particular Ian Stewart notes that most provinces' voters cannot really expect to control the outcome of the federal election. While his study focuses on the most extreme example of this (Prince Edward Island with only 4 seats), many Canadian voters in small provinces must realize that an attempt to balance their provincial governments with the federal government may not succeed as their vote is diluted by the votes of Canadians in
larger provinces with potentially different balancing imperatives. Voters therefore cannot condition all their votes based on the expectation that the party they vote for will acquire power over all the policy space. At the same time, information acquired by voters about their provincial governments is likely to be more directly relevant and apparent to them as that government is closer to them, increasing the potential for balancing as they become more aware of the provincial governing party’s preferences. Similarly the relationships for the various political parties might not be identical for a whole host of reasons. At the most obvious level because the federal NDP has never held government it is impossible to ascribe balancing motivations to that party’s provincial vote swings.

The party separated models were estimated using Ordinary Least Squares (OLS) regression. The federal combined model was estimated using OLS with dummies for each party and year interacted. The provincial combined model was estimated using OLS with dummies for each party (year dummies are not necessary as each provincial election is independent and therefore does not need to be controlled for). There are a number of possible assumption violations that result from this decision. First, the dataset contains cases defined by units of time. This makes it a form of time series. Moreover the model uses a variety of time series techniques including lagged variables and differences. At the same time the cases are not measured at predetermined time intervals. The gap between elections can vary dramatically and the gap since the last other level election is similarly poorly defined. While one can simply treat the elections as if the exact timing does not matter, this ignores the fact that the decision to call an election is a political choice based on the previous government’s perception of its ability to win. Yet this endogeneity is unlikely to be a serious problem because incumbent governments often
lose and therefore the ability to control the timing of an election is not an insurmountable advantage. Certain types of time series techniques will not work with this data but as long as we are conscious of the incomplete nature of the time series it should not be too difficult to deal with.

The second concern relates to the independence of the cases. Properly understood the divided government dataset is a time series cross section with the set of provinces representing the panel measured at different times (i.e. the elections). By treating each province separately we are better able to model the relationship between provincial and federal elections. If we aggregated the provinces not only would we lose many cases but we would also lose the ability to test what we are interested in understanding.

Unfortunately when studying the federal level this means treating the outcomes of the same election in different provinces as if they were independent. Even without referring to the data, it is clear that this assumption is probably not correct. This makes sense because federal elections are fought across the entire country on the same issues with the same leaders while provincial elections are internal affairs that do not tend to make news or effect politics outside the provincial borders. A scatterplot of vote swings across time seems to indicate that election results across the country are not fully independent. In fact the results for all the provinces tend to be closely grouped. In years when a particular party does well, they tend to do well in all the provinces and vice versa.

Interestingly the grouping is most pronounced for the Progressive Conservative party and least evident for the Liberals. This correlation will again be visible in the regression residuals. It seems, however, that despite this violation the major results of the paper are still valid because the inclusion of dummy variables for each election year (controlling
for the overall trends experienced across the country by a given party) does not alter the sign or statistical significance of the critical variables. The provincial level model faces no such difficulty as provincial elections are easily understood to be independent.

The models that combine the results for all three parties suffer some of the same independence problems. When all the parties are combined together the OLS assumption is that their results are independent. This is clearly not the case because an increase in one party's vote share necessitates a drop for another party. However this correlation is taken into account by using a series of dummy variables: one for each party in the provincial model (with the Conservatives as the base) and one for each party, year and party and year interacted in the federal model (with the Conservatives and 1904 as the bases). Adding the election year dummies to the federal model captures any part of the relationship between vote swings in the ten provinces that might be particularly associated with that election year. Nevertheless, the assumption of independence represents one of the more fundamental challenges to modeling divided government in Canada.

The paper will now examine in detail each of the six basic models beginning with the federal parties (Liberal, Conservative and NDP) followed by their provincial counterparts. Then the paper will examine two models that combine the effects for all three parties for each level. These models will reinforce the conclusions drawn from the party-separated models.

Federal Models

The model for the federal Liberals is easily the most robust of all six. The coefficients are consistent with an unintentional policy learning model of divided
government. Holding a provincial government has a positive effect on federal Liberal results. In those provinces where the Liberals were in power they could expect positive increase in their election to election swing of around 3% if the two elections were close enough in time. As the gap between the elections increased that effect declined as voters learned about the policies of their provincial Liberal governments. The provincial swings are also positively related to federal swings, a key link in the cyclical model. An upward trend provincially tends to translate into an upward trend federally with a one percent bump at the lower level predicting a 0.61 percent bump at the national level. Unsurprisingly, this relationship grows weaker as the distance in time between the two elections increases. This is visible from the negative effect of the interaction term: the larger the gap in months between the elections the less relevant the information voters gathered about that early choice is to the decision at hand. Moreover, the gap allows voters to gain some information about the policy preferences of the Liberal party. Thus if their votes are based on programmatic concerns a larger gap could produce greater changes in party policy or greater voter knowledge of party policy. Furthermore, after about twenty-two months the effect of provincial swing reverses, suggesting that voters switch their understanding of the party the longer the gap between elections. The relationship between provincial swing contingent on holding the provincial government and the federal swing was insignificant and therefore not consistent with the intentional balancing strategy.

The results for the federal Conservatives are very similar to those for the Liberals. Interestingly, results from the previous election are more important to predicting the current swing, suggesting that Conservatives experience slightly stronger topping out
effects than the other parties. As with the Liberals, Conservative provincial governments are associated with positive swings in federal vote share. Conservative federal governments experience twice the bump at the polls from holding provincial governments as Liberals (7.4%). This result is therefore fundamentally inconsistent with an intentional or balance explanation of divided government patterns. Provincial swing is again positively related to federal swing. When provincial Conservatives receive a one percent bump at the polls, their federal counterparts can expect an increase of about a third as much (0.33%). Unlike for the Liberals, this relationship does not appear to vary over time as the interaction term (though negative) is insignificant. This suggests that voters are not as fickle in their support for the Conservatives as distance between elections seems to have a smaller effect on their voting choices. The interaction between holding provincial governments and provincial swing is again inconsistent with balancing explanations as it is not negative (it is insignificant). On the other hand the gap-win interaction is also insignificant, a result which is consistent with balancing explanations. Voters do not seem to learn more about federal Conservatives the longer they hold provincial governments.

The NDP exhibits some of the most stable support out of the three parties studied. The relationship between vote swings and previous election totals is weakest for the NDP possibly as New Democratic support is relatively consistent over time. The New Democrats receive a bump from holding provincial governments initially (though the effect is not significant) but over time this effect reverses quite strongly as voters learn about NDP governments. This effect is captured by the interaction between gap since the last other level election and the other level winner dummy. Over the course of two years
the NDP is predicted to go from a 3% positive bump to a 3% penalty for holding a provincial government. This suggests that voters do not like what they get from NDP governments. They learn about the party and then reevaluate their choice at the other level. Again this significant effect is inconsistent with intentional balancing. As with the Liberals and Conservatives, provincial swing is positively related to federal swing patterns. Provincial swing is worth about 28% on the federal level: a one percent shift in provincial swing will produce a federal swing of about 0.28% in the same direction. The NDP does experience some decline in that relationship as the distance between the two elections grows. However the decline is not sufficient to produce a reversal in the relationship, as the curve tops out after more than six years.

The general pattern, then, appears to be that swings across levels are positively related. Holding a provincial government provides a boost to the federal party immediately but this effect declines and even reverses over time. The effect of other level swing is not contingent upon whether the party is in power. The predictive value of other level swing seems to decline over time. All these conclusions are more consistent with policy learning strategies than with balancing theories.

Provincial Models

Turning now to the provincial level, three further models were estimated. Beginning again with the Liberals, it is clear that the provincial picture is quite different from the federal version. First, all the substantive variables are insignificant. What this seems to suggest is that the provincial Liberals do in fact experience some level specific effects that are not captured in the model of divided outcomes. The previous vote share has the same sign as in the federal model but is smaller, suggesting that bottoming out
effects are less dramatic on the provincial scene. This may reflect the tendency for provinces to be dominated by one party to the exclusion of others for a long stretch of time. More interesting is that federal vote swings appear to be unrelated to provincial vote swings. The coefficient for the relevant variable is insignificant on its own and interacted with the gap since the last federal election or the win dummy. It is this relationship that Erikson and Filippov model. While they use different regressions (federal to provincial swings as well as using only one independent variable, the dummy for liberal federal incumbency) they also find support for the intentional balancing model. Estimating this model without the swing-win, gap-win and gap-swing-win interactions produces results that are roughly consistent with the results of Erikson and Filippov.

When the Liberals are in government federally, provincial Liberals can expect to suffer a penalty of around 3.5%. This effect is significant and it contradicts the logic of the cyclical theory of divided government. This in combination with insignificance of the federal swing seems to suggest that the provincial level model is very different from the federal one. While the federal Liberal party seems to provide robust support for an unintentional model of divided government, provincial Liberals seem to provide an excellent example of intentional balancing effects. Whether these penalties accrue because of interest balancing or policy balancing cannot be determined from the aggregate results.

In the Conservative party provincial model the previous vote, gap and gap-win interaction are significant at the 5% confidence level. The effect of previous vote share on current swing is similar in size and direction to the provincial Liberal model. Again this variable has a much smaller effect than on the federal level. Previous federal
Conservative vote swing is positively related to provincial vote swing; when the interactions are dropped the effect is significant. A one point decrease in federal vote is predicted to produce a 0.24 point decrease in provincial vote. This relationship is again consistent with a cycling model of unintentionally divided government. In the limited model the other level winner dummy is negative and significant however in the expanded model this effect seems to be captured by the gap-win interaction. This interaction suggests that when the Conservatives hold the federal government voters learn that they do not like them over time. Again, this significant result is consistent with the cycling or policy learning models and not the balancing explanations.

Finally, the provincial New Democratic model is quite different from the other parties and levels. As the NDP has never held government federally, the dummy variable and its interactions are dropped from the model as they contain no variation. The federal swing and previous provincial swing terms are significant at the 5% confidence level. As a result the only information gained from the model is that NDP vote swings are inversely related to previous vote shares, the now-familiar bottoming out effect. These results are difficult to analyze using the models of intentional and unintentional divided government because of the limitations of the data. For the NDP at least it seems there is a substantial disconnect between the federal elections and the provincial results, at least from the provincial angle.

Combined Models

The combined model produces results that are roughly consistent with the party separated models. For the federal case the model was estimated using dummies for party, year and party interacted with year to account for the lack of independence identified
above. In the combined model, only the coefficients measuring the effect of the previous federal vote, the provincial swing, the other level winner, the interaction between the gap since the last provincial election and the provincial swing and the interaction between the gap and the other level winner dummy are significant. The return on provincial swing at the federal level is around 34%. The dummy indicating whether the party is in power provincially is significant and positive. However over time this effect reverses, consistent with the idea that voters learn about parties when they hold government at the other level and then apply that knowledge to the level of interest. Returning to the strategies outlined above, only the cycling policy learning model and the general evaluative model predict vote swings to be related. Balancing theories require the dummy to be significant and negative. Thus it appears that, from the federal angle at least, unintentional divided government models are more persuasive. The interaction term, with a coefficient of -0.009, suggests that the information used to cast a ballot in a provincial election, becomes irrelevant to the federal choice after about 3 years. Thus the combined model produces results that, while not fully consistent with the separated versions, reinforce the conclusion that intentional balancing models lack explanatory power.60

The combined provincial model incorporated only dummies for each party because of the inherent independence between provincial elections held in different provinces. The combined model reinforces the connection between federal and provincial vote swings with a return of about 22% on previous federal swing in a provincial election. The model also displays the usual bottoming out effects. To test

60 It is important to remember that because this model incorporates a large number of dummies, the r-square is to a certain extent artificially inflated.
fully the idea that vote swings in the balancing model are contingent upon the other level winner, we look to the interaction between the other level swing and the other level winner. As with the federal party separated model, the results were not significant and as a result not consistent with the balancing theory which predicts that they would be negatively related. Moreover the positive (if insignificant) coefficient for the other level winner combined with a negative coefficient for the gap and winner interaction term is only truly consistent with the policy learning model as voters change their minds over time rather than responding immediately by balancing.

Conclusion

Aggregate data, then, suggests that intentional balancing models are not the best way to understand divided outcomes in Canadian federal and provincial elections. In most models estimated federal and provincial swings were related. This appears to eliminate any explanation, such as the level specific evaluative model, that does not allow for the levels to be connected. Moreover in every case except the provincial Liberals, including the insignificant ones, the relationship was positive indicating that federal and provincial results track one another. The results produced by the dummy indicating when the party being analyzed was in power at the other level produced the least consistent results. In some cases balancing explanations seemed to be supported but as has been previously described, balancing requires not only an aggregate penalty but also a inverse relationship between the swings once the party in power at the other level is taken into account. While no aggregate results can fully determine which strategies are at work, it appears that the policy learning model may be more dominant in the public to the extent that it produces aggregate effects.
CHAPTER 5 – CONCLUSION

Divided government in Canada is not as widely studied as divided government in the United States. While some of the early US literature cites Canada as the source of some of the theoretical frameworks under study, the literatures diverged as divided government became more and more common in the US. Yet partisan division between federal and provincial governments continues to be quite common in Canada. Voters often select different parties for their federal and provincial governments. This paper has presented a variety of voter strategies that might produce this outcome. While not every voter employs the same strategy in the same way, these strategies can be combined to produce divided government. Aggregate level election results were analyzed to show that while no firm conclusions can be reached, it would appear that provincial and federal election swings track each other over time. This implies that divided government is more likely the result of unintentional voter decisions rather than intentional balancing efforts.

The paper advances the argument that from the literature reviewed there are several possible voter strategies at work across the electorate. Not every voter must respond to multiple elections in the same way. The paper specified five possible strategies and the aggregate implications of each. The first set of two strategies suggest that voters intentionally balance parties' strength in one arena with weakness in the other. This is done either to produce more moderate policy outcomes, as in the first policy balancing strategy, or to produce division at the federal-provincial bargaining table, as in the second interest balancing strategy. The next set of two voter strategies imply more simple retrospective evaluations either evaluating the policy environment as a whole, in the third overall evaluative strategy, or separating the responsibilities of the two arenas,
in the fourth level specific evaluative strategy. Finally, some voters likely use strategies that recognize the effects of party identification on voter choice. This linkage was recognized in the fifth policy learning based strategy. Perhaps most importantly the thesis recognizes that all the strategies may well be at work in the population at large.

The paper makes use of the best available aggregate data set to determine whether some voter strategies are more clearly visible (and therefore more dominant) than others. The data analysis incorporates both levels and the three national political parties: the Conservatives, the Liberals and the New Democrats. Swings across levels appear to be positively related, an effect that is not contingent upon which party is in power at the other level. That is to say, federal and provincial results track each other over time as the policy learning model predicts. No party at either level ever suffers a statistically significant penalty for holding government at the other level immediately upon election. However, over time most parties begin to lose support as voters learn more about their policies. While the policy learning perspective does not predict or require that all learning be negative, the data suggests that this is in fact the case. Thus the overall conclusions of the paper suggest that the dominant strategy is one of policy learning.

While the paper takes advantage of much of the information contained within the dataset, it is possible that there is a better way to capture the relationship between federal and provincial elections without losing any of the meaning contained within these models. More complicated models that fully recognize that a loss for one party necessarily requires a gain for another would do a better job of understanding the relationships between the elections. A model which permitted us to distinguish between the general evaluative model and the policy learning model would also be valuable. Such
a model would likely require information on the economy or some other measure of
general political performance of the government. The model would also have to focus
more explicitly on parties in government rather than all parties.

Nonetheless, it seems we have exhausted the possible conclusions that can be
reached from aggregate data alone. In order to understand more fully how provincial and
federal voting decisions are related (or not related), political scientists need to start asking
voters why they behave the way they do. The strategies described in this paper represent
an effort to begin this study. Individual level survey data will not be a panacea.

Determining the difference between the various strategies will be difficult because it will
require that accurate information be collected from voters on their past choices in both
arenas. The differences between the strategies are sometimes subtle making it hard to
design survey questions that would tap the ideas that motivate divided government
choices. Moreover there is little agreement among US scholars on what are the best
questions to ask to determine reasons and propensity to vote for different parties for
different positions. The study of divided government, however, remains an excellent way
to approach the puzzle of voting patterns across Canada.
APPENDIX 1 - FIGURES

FIGURE 1: CONSERVATIVE FEDERAL GOVERNMENT

Total policy outcome = $q(\text{federal policy}) + (1-q)(\text{provincial policy})$

Note: For Figures 1 and 2, $q=0.5$

FIGURE 2: LIBERAL FEDERAL GOVERNMENT
FIGURE 3: CONSERVATIVE FEDERAL GOVERNMENT

Total policy outcome = $q$(federal policy) + $(1-q)$(provincial policy)

Note: For Figures 3 and 4, $q=0.8$

FIGURE 4: LIBERAL FEDERAL GOVERNMENT
APPENDIX 2 - TABLES

TABLE 1 – SUMMARY OF MODEL PREDICTIONS

<table>
<thead>
<tr>
<th></th>
<th>Other Level Swing</th>
<th>Other Level Win</th>
<th>Gap Last X Swing</th>
<th>Other Level Win X Other Level Swing</th>
<th>Gap Last X Other Level Win</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Policy Balancing</strong></td>
<td>No prediction, contingent on which parties are in government</td>
<td>Negative</td>
<td>Insignificant/Zero</td>
<td>Negative</td>
<td>Insignificant/Zero</td>
</tr>
<tr>
<td><strong>Interest Balancing</strong></td>
<td>No prediction, contingent on which parties are in government</td>
<td>Negative</td>
<td>Insignificant/Zero</td>
<td>Negative</td>
<td>Insignificant/Zero</td>
</tr>
<tr>
<td><strong>Policy Learning</strong></td>
<td>Positive</td>
<td>Zero or positive</td>
<td>Negative</td>
<td>Insignificant/Zero</td>
<td>Not zero, the longer the time the more voters can learn about the governing party</td>
</tr>
<tr>
<td><strong>General Evaluative</strong></td>
<td>Positive</td>
<td>No prediction</td>
<td>Negative</td>
<td>No prediction</td>
<td>No prediction</td>
</tr>
<tr>
<td><strong>Level-specific Evaluative</strong></td>
<td>Insignificant/Zero</td>
<td>Insignificant/Zero</td>
<td>Insignificant/Zero</td>
<td>Insignificant/Zero</td>
<td>Insignificant/Zero</td>
</tr>
</tbody>
</table>

Previous Vote is predicted to have a negative effect for all models. Gap since the last election is predicted to be zero for all models. No prediction for gap, other level swing and other level winner interacted.
<table>
<thead>
<tr>
<th>Variable</th>
<th>Liberal Federal Swing</th>
<th>PC Federal Swing</th>
<th>NDP Federal Swing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous Vote</td>
<td>-0.2676*</td>
<td>-0.2734*</td>
<td>-0.5052*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0440)</td>
<td>(0.0436)</td>
<td>(0.0583)</td>
</tr>
<tr>
<td>Proviceal Swing</td>
<td>0.6137*</td>
<td>0.4931*</td>
<td>0.3306</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.1611)</td>
<td>(0.1241)</td>
<td>(0.1752)</td>
</tr>
<tr>
<td>Other Level Win</td>
<td>0.0325</td>
<td>0.0291*</td>
<td>0.0740*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0210)</td>
<td>(0.0114)</td>
<td>(0.0349)</td>
</tr>
<tr>
<td>Gap Last</td>
<td>-0.0006</td>
<td>-0.0005</td>
<td>0.0006</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0005)</td>
<td>(0.0003)</td>
<td>(0.0007)</td>
</tr>
<tr>
<td>Gap Last X Prov Swing</td>
<td>-0.0271*</td>
<td>-0.0222*</td>
<td>-0.0076</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0062)</td>
<td>(0.0046)</td>
<td>(0.0066)</td>
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<tr>
<td>Prov Swing X Prov Win</td>
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<td>0.0116</td>
<td>0.3391</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.2652)</td>
<td>(0.3022)</td>
<td>(0.2751)</td>
</tr>
<tr>
<td>Gap Last X Prov Win</td>
<td>-0.0001</td>
<td>-0.0016</td>
<td>-0.0029*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0007)</td>
<td>(0.0013)</td>
<td>(0.0011)</td>
</tr>
<tr>
<td>Gap X Prov Swing X Prov Win</td>
<td>0.0128</td>
<td>0.0056</td>
<td>-0.0109</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0097)</td>
<td>(0.0110)</td>
<td>(0.0119)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.1023*</td>
<td>0.1029*</td>
<td>0.1449*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0211)</td>
<td>(0.0195)</td>
<td>(0.0284)</td>
</tr>
<tr>
<td>N</td>
<td>242</td>
<td>242</td>
<td>242</td>
</tr>
<tr>
<td>R(^2)</td>
<td>.24</td>
<td>.24</td>
<td>.28</td>
</tr>
</tbody>
</table>

Asterisks denote coefficients that are significant at \(p<0.05\).
TABLE 3 – PROVINCIAL SWINGS

<table>
<thead>
<tr>
<th>Variable</th>
<th>Liberal Provincial Swing</th>
<th>PC Provincial Swing</th>
<th>NDP Provincial Swing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Previous Vote</td>
<td>-0.1728* (0.0371)</td>
<td>-0.1775* (0.0370)</td>
<td>-0.1672* (0.0400)</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Federal Swing</td>
<td>-0.0076 (0.2135)</td>
<td>0.1786 (0.1223)</td>
<td>0.2345 (0.1577)</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other Level Win</td>
<td>-0.0044 (0.0225)</td>
<td>-0.0332* (0.0122)</td>
<td>0.0500 (0.0272)</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gap Last</td>
<td>0.0009 (0.0005)</td>
<td>0.0004 (0.0003)</td>
<td>0.0013* (0.0005)</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gap Last X Fed Swing</td>
<td>0.0009 (0.0066)</td>
<td>-0.0036 (0.0040)</td>
<td>-0.0028 (0.0052)</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fed Swing X Fed Win</td>
<td>0.2390 (0.2628)</td>
<td>-0.0979 (0.2145)</td>
<td>dropped</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gap Last X Fed Win</td>
<td>-0.0009 (0.0006)</td>
<td>-0.0033* (0.0008)</td>
<td>dropped</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gap X Fed Swing X Fed Win</td>
<td>-0.0051 (0.0085)</td>
<td>0.0072 (0.0070)</td>
<td>dropped</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>0.0540* (0.0233)</td>
<td>0.0745* (0.0199)</td>
<td>0.0380 (0.0206)</td>
</tr>
<tr>
<td>OLS SE</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>226</td>
<td>226</td>
<td>226</td>
</tr>
<tr>
<td>R²</td>
<td>.14</td>
<td>.13</td>
<td>.26</td>
</tr>
</tbody>
</table>

Asterisks denote coefficients that are significant at p<0.05.
TABLE 4 – FEDERAL COMBINED MODEL

<table>
<thead>
<tr>
<th>Variable</th>
<th>Federal Swing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous Vote</td>
<td>-0.1393*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0227)</td>
</tr>
<tr>
<td>Provincial Swing</td>
<td>0.3410*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0696)</td>
</tr>
<tr>
<td>Other Level Winner</td>
<td>0.0226*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0109)</td>
</tr>
<tr>
<td>Gap Last</td>
<td>0.0003</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0002)</td>
</tr>
<tr>
<td>Gap Last X Prov Swing</td>
<td>-0.0095*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0024)</td>
</tr>
<tr>
<td>Prov Swing X Prov Win</td>
<td>-0.0448</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.1116)</td>
</tr>
<tr>
<td>Gap Last X Prov Win</td>
<td>-0.0012*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0003)</td>
</tr>
<tr>
<td>Gap X Prov Swing X Prov Win</td>
<td>0.0018</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0040)</td>
</tr>
<tr>
<td>Liberal Dummy</td>
<td>0.0017</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0818)</td>
</tr>
<tr>
<td>NDP Dummy</td>
<td>-0.0456</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0272)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.0574</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0589)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>N</th>
<th>668</th>
</tr>
</thead>
<tbody>
<tr>
<td>R^2</td>
<td>.74</td>
</tr>
</tbody>
</table>

Also included in the model were dummies for each year except 1904 and each year and party interacted (except 1904 and the Conservatives). The F-statistic for these dummies was 17.27 with 70 and 590 degrees of freedom, indicating that the dummies were highly significant. The inclusion of these dummies also resulted in a substantial increase in the R^2.

Asterisks denote coefficients that are significant at p<0.05.
TABLE 5 – PROVINCIAL COMBINED MODEL

<table>
<thead>
<tr>
<th>Variable</th>
<th>Provincial Swing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous Vote</td>
<td>-0.1473*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0218)</td>
</tr>
<tr>
<td>Federal Swing</td>
<td>0.2239*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0965)</td>
</tr>
<tr>
<td>Other Level Winner</td>
<td>0.0104</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0149)</td>
</tr>
<tr>
<td>Gap Last</td>
<td>0.0008*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0002)</td>
</tr>
<tr>
<td>Gap Last X Fed Swing</td>
<td>-0.0030</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0032)</td>
</tr>
<tr>
<td>Fed Swing X Fed Win</td>
<td>-0.0505</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.1369)</td>
</tr>
<tr>
<td>Gap Last X Fed Win</td>
<td>-0.0018*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0004)</td>
</tr>
<tr>
<td>Gap X Fed Swing X Fed Win</td>
<td>0.0052</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0045)</td>
</tr>
<tr>
<td>Liberal Dummy</td>
<td>0.0090</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0088)</td>
</tr>
<tr>
<td>NDP Dummy</td>
<td>-0.0331*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0100)</td>
</tr>
<tr>
<td>Constant</td>
<td>0.0425*</td>
</tr>
<tr>
<td>OLS SE</td>
<td>(0.0119)</td>
</tr>
</tbody>
</table>

N 617
R² .18

Asterisks denote coefficients that are significant at p<0.05.


