POLICY-MAKING, LOCAL FACTIONS AND CANDIDATE COORDINATION IN SINGLE NON-TRANSFERABLE VOTING

A Case Study of Taiwan

Chia-Hung Tsai

Abstract

Conventional belief suggests that the ruling party in the 'single non-transferable voting' (SNTV) system can often coordinate legislative candidates through the allocation of resources, and previous research shows that both local factions and budget distribution influence the process of candidate coordination. Modeling the seat shares of the Kuomintang (KMT) in the 1992, 1995, 1998 and 2001 legislative elections, this article contends that the number of local factions and chairmen in parliament largely determines the KMT's seat gains. Evidence shows that the KMT was apt to coordinate candidates through the position of committee chairpersons in the Legislative Yuan, and its failure to do so in the 2001 election contributed to its fall.

Key words: candidate coordination • legislative election • local factions • policy-making • single non-transferable voting

1. Introduction

Elections are widely perceived as zero-sum games, with electoral rules dictating the method of seat allocation, such as 'proportional representation' (PR), 'single-member simple-plurality' (SMSP) and 'single non-transferable voting' (SNTV). As players in the game, political parties follow electoral rules and choose the best strategy for their share of seats. Electoral rules remain the same unless the parties agree to amend them, and this process may require a great deal of time and effort if consensus is to be reached among the competing parties. Every election is a new game in which parties and candidates are faced with new competitors, issues and voters.
The uncertainty of competitors makes candidate coordination crucial to electoral victory, because nomination errors – nominating too many candidates or putting quality candidates in less hopeful districts – will cost party seats. With unchanged electoral rules, however, parties can devise the strategy which will achieve the best outcome.

Duverger's law states that the equilibrium number of parties will be two in a SMSP system (1954). Under both the PR system and the SMSP system, each party nominates a single candidate or party list because there is only one available seat in the district; it is irrational to nominate two candidates sharing the same party label. In SNTV, however, parties attempt to gain multiple seats in each district by endorsing as many as \( M+1 \) candidates, where \( M \) is the number of seats. To maximize the seat share, parties must avoid wasting votes on lesser potential candidates at the expense of votes that would have gone to their top candidate. The best outcome for a party is when each of its nominees gains just enough votes to win the election, thereby filling all the seats in the district; in short, no party nominee is unelected.

To solve this intriguing nomination problem, it is argued that the ruling party could avoid nomination errors by using particularistic interests, i.e. grants, projects and subsidies (Cox, 1997; Cox and Niou, 1994; Lin, 1996; McCubbins and Rosenbluth, 1995). Nevertheless, the mechanism of distributing particularistic interests has rarely been investigated. The purpose of this article is to examine how the KMT coordinates candidates through chairmanship in the standing committees of the legislative body and local factions in the constituency. The analysis sheds some light on party coordination in multi-member districts.

2. Party and Candidate in SNTV

Candidate coordination is the endorsement of candidates prior to an election. The importance of candidate coordination lies in the ultimate goal of parties, i.e. winning office. The more seats a party claims, the more resource allocation authority goes to the party. Without qualified candidates to win elections, parties cannot implement their goals. Parties therefore have the incentive to carefully select in advance those most likely to be elected. As for the candidates, party labels mean reputation and campaign resources (Aldrich, 1995). Candidates can also claim credit based on the party's merits in government. The interdependent relationship between parties and candidates is straightforward in single-member districts (SMDs) and PR districts because both election systems allow each party to nominate only one candidate or party list. Since each party has only one candidate in the district, that candidate pursues as many votes as possible. There is no conflict between parties and candidates, since both want to maximize their share of the vote. However, the SNTV system produces conflict between parties and
candidates, because each district has more than one seat. Since there are multiple seats, parties have the incentive to nominate more than one candidate to win the plurality of seats in parliament (Grofman, 1999). Because votes are not transferable, candidates from the same party have no incentive to coordinate themselves. Rather they will seek to maximize their own share of the vote. Intra-party competition thus renders coordination problematic. When parties over-nominate candidates, the share of votes to its nominees may be diluted, thus reducing their chances of winning. If parties under-nominate candidates, the extra votes are wasted and, as a result, other parties can win additional seats. In both cases, nomination errors can lead to seat loss. In summary, SNTV induces conflict between parties and candidates that is less prevalent with other election systems.

Three countries have used SNTV: Japan, Korea and Taiwan. The way that political parties solve the coordination problem in these three countries has been extensively investigated (e.g. Lee, 1999; Lin, 1996; Liu, 1999; McCubbins and Rosenbluth, 1995; Ramseyer and Rosenbluth, 1993). This article focuses on Taiwan's political coordination issue for reasons explained shortly. Japan used SNTV for its lower house election from 1951 through 1993. Elections for the National Assembly in Korea have been held with various types of electoral rules, including SNTV, PR and SMD in different combinations. From 1973 through 1988, Korea used the combination of SNTV and PR. Unlike Japan and Korea, however, Taiwan continues to use SNTV for its legislative election, which highlights the role of SNTV in Taiwanese politics. Excepting Lin (1996), however, past research related to candidate coordination in Taiwan has provided little understanding of the operation of candidate coordination. This case study of the KMT's coordination strategy can be used to update our knowledge of candidate coordination in SNTV.

3. Institutional Context and Party System

According to the 1947 Constitution, the Legislative Yuan is the representative institution charged with deliberative authority over government bills. When the KMT fled to Taiwan in 1949, 470 legislators elected in Mainland China came with the KMT and became lifetime members of the Legislative Yuan until 1989. The KMT inherited SNTV from the Japanese colonial government and implemented it at every level of legislative elections. Beginning in 1969, the KMT government held supplementary elections to elect new members of the legislative body. The number of seats at stake ranges from 119 to 165, with a district magnitude from 1 to 17. The seats of the districts are apportioned in relation to the population of the cities and counties. Only Taipei City, Kaohsiung City and Taipei County have more than one district. The number of total seats in the Legislative Yuan increased to 225 in 1998, while the number of seats at the district level increased to 168.
Since the mid-1980s, the Taiwanese political system has undergone a dramatic change in the number of parties. Figure 1 presents the percentages of seats of the five parties between 1992 and 2001. KMT seat gains peaked in 1992, but have slipped since then. In 1998, it won only one-third of seats in the district-level election. By contrast, the Democratic Progressive Party (hereafter, DPP) has won one-third of seats consistently since the 1992 election and took an impressive 41.5 percent of seats in 2001. The New Party (hereafter, NP), organized on the eve of the 1994 Taipei mayoral election, shocked the nation by winning 12.6 percent of seats in the 1995 election. However, the party lost its momentum in the following 1998 election. The one-year-old People First Party (hereafter, PFP) and Taiwan Solidarity Union (hereafter, TSU) took 18.6 percent and 5.4 percent of seats respectively in 2001, which suggests the permeability of the SNTV system.

This article focuses on the three legislative elections in the 1990s and also the 2001 election. The 1992 election was a milestone of Taiwanese democratization, because it was the first in which every seat was open to popular election (Liu, 1996). Moreover, the data of committee chairmanship date back to the 1989 Legislative Yuan.

4. Overview of Candidate Coordination in Taiwan

Local elections held since the 1950s have attracted a large number of politicians. Such broad-based political participation, pressuring political parties toward candidate coordination, became more important when the opposition party was founded in 1986. To help show how parties handle the entry of candidates, Table 1 gives the number of candidates, seats and party

![Figure 1. Percentages of seats of political parties, 1992–2001](image)

*Data: Election Information Databank, Election Study Center, National Cheng-chi University. Note: The percentages shown in the figure are the district-level seat shares of each party. Because of the seat share of independents and minor parties, the percentages do not add up to 100 percent.*
Table 1. Seats and candidates, 1989–2001 legislative elections

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<tbody>
<tr>
<td>Seats</td>
<td>78</td>
<td>119</td>
<td>119</td>
<td>166</td>
<td>166</td>
</tr>
<tr>
<td>Total candidates</td>
<td>222</td>
<td>325</td>
<td>300</td>
<td>356</td>
<td>426</td>
</tr>
<tr>
<td>Party nominees&lt;sup&gt;a&lt;/sup&gt;</td>
<td>150</td>
<td>171</td>
<td>192</td>
<td>217</td>
<td>287</td>
</tr>
<tr>
<td>Nominee rate&lt;sup&gt;b&lt;/sup&gt;</td>
<td>1.923</td>
<td>1.437</td>
<td>1.613</td>
<td>1.307</td>
<td>1.729</td>
</tr>
</tbody>
</table>

Data: Election Information Databank, Election Study Center, National Cheng-chi University and China Times website. The Qimoy and Lienciung county and the aboriginal districts are not included.

Note: <sup>a</sup>Party nominees endorsed by the KMT, DPP, NP, PFP and the TSU. <sup>b</sup>Nominee rate is calculated by dividing the number of seats by the number of party nominees.

nominees between 1989 and 2001. The ratio of number of party nominees to number of seats has increased in five elections since 1989. In 1989, the KMT and the DPP together nominated nearly twice the number of seats. The NP entered the party system in 1995, and the rate rose slightly. In 1998, however, parties nominated only 32 percent more than the number of seats, which is the lowest rate of nominees to seats. This suggests that the three parties now understood the new equilibrium of candidates, with an end to the surge in the number of nominees. In the following election, the rate increased by 40 percent—an increase associated with the entry of two new parties, the TSU and PFP.

When the number of seats increased in 1992 and again in 1998, political parties reduced the number of party nominees despite the increased total number of candidates. In 1995 and 2001, new parties entered the political system, such that the ratio of party nominees to the total number of candidates increased. The almost linear relationship between the number of party nominees and the number of parties implies that political parties coordinate candidate entry effectively to avoid seat loss.

With the entry of the candidates, major parties have successfully disseminated votes effectively among their nominees. Table 2 breaks down the number of nominees endorsed by the two major parties, the KMT and the DPP, the success rate of both parties and the average number of votes for the winning candidates. The KMT is known for its ability to coordinate candidates (Cox and Niou, 1994; Shieh, 1999). In fact, the DPP has been coordinating its candidates efficiently ever since it challenged the KMT in 1989 (Hsu, 2002). With the exception of 1989 and 1992, the S/N indicator shows that the DPP had equal or higher rates of electoral victory than the KMT. However, the KMT appears to manage vote equalization better than the DPP. The V/N ratio in Table 2 indicates that the KMT winning candidates on average received fewer votes than did their DPP counterparts, yet kept higher or equal success rates in 1989, 1992, 1995 and 1998. In 1998, for instance, nearly 84 percent of the KMT nominees were elected, with each of the winning candidates receiving 45,785 votes on average. By
Table 2. Votes, seats and candidates for the KMT and the DPP, 1989–2001 legislative elections

<table>
<thead>
<tr>
<th></th>
<th>Seats</th>
<th>S/N%</th>
<th>V/N%</th>
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<th>Seats</th>
<th>S/N%</th>
<th>V/N%</th>
<th></th>
<th>Seats</th>
<th>S/N%</th>
<th>V/N%</th>
</tr>
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<tbody>
<tr>
<td>1989</td>
<td>46</td>
<td>38.3%</td>
<td>82.6%</td>
<td>DPP</td>
<td>104</td>
<td>52.4%</td>
<td>66.9%</td>
<td>KMT</td>
<td>110</td>
<td>57.4%</td>
<td>69.6%</td>
</tr>
<tr>
<td>1992</td>
<td>57</td>
<td>69.6%</td>
<td>62.1%</td>
<td>DPP</td>
<td>66</td>
<td>62.8%</td>
<td>68.3%</td>
<td>KMT</td>
<td>94</td>
<td>67.5%</td>
<td>77</td>
</tr>
<tr>
<td>1995</td>
<td>66</td>
<td>62.1%</td>
<td>62.8%</td>
<td>DPP</td>
<td>77</td>
<td>67.5%</td>
<td>83.8%</td>
<td>KMT</td>
<td>105</td>
<td>86.3%</td>
<td>80</td>
</tr>
<tr>
<td>1998</td>
<td>80</td>
<td>86.3%</td>
<td>56.3%</td>
<td>DPP</td>
<td>87</td>
<td>86.3%</td>
<td>56.3%</td>
<td>KMT</td>
<td>87</td>
<td>86.3%</td>
<td>87</td>
</tr>
<tr>
<td>2001</td>
<td>87</td>
<td>86.3%</td>
<td>56.3%</td>
<td>DPP</td>
<td></td>
<td></td>
<td></td>
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Note: *The seat shares of the DPP or KMT. S/N is the successful rate of the KMT and the DPP nominees. V/N is the average number of votes for the winning candidate.

comparison, only 67.5 percent of the DPP nominees won seats in the election, each with an average of 45,260 votes. As shown in Table 2, the KMT actually retreated from districts rather than competed with new parties in 1995 and 2001; the number of KMT nominees dropped from 110 to 94 between 1992 and 1995, and from 105 to 87 between 1998 and 2001. Like the KMT, the DPP took on a conservative nomination strategy, which kept its success rate rising but wasted a considerable number of votes.

In the meantime, the V/N ratios for both the KMT and the DPP have been dropping, suggesting that both parties have fared well at equalizing votes. Among those elected, the KMT candidate may not always have finished first, but nonetheless the party has gained the greatest number of seats. In 2001, however, the KMT experienced a serious setback, with its success rate dropping from 86.3 percent to 56.3 percent despite the decreased number of nominees. In addition, each of the KMT’s winning candidates had a smaller share of the vote, indicating that its vote equalization faltered in 2001. On the contrary, the DPP had an unprecedented rate of seats per nominee with a relatively modest number of votes for each nominee.

While the two major parties were laboring in candidate coordination, new parties, the NP, PFP and TSU, won significant numbers of seats and weakened the KMT’s success rates. In the 2001 election, the NP, TSU and PFP won 41 seats altogether, while the KMT lost 39. Though new to the political system, these new parties nonetheless made impressive seat gains compared to their winning votes. The successful emergence of new parties confirms the high penetrability of SNTV, whose multiple seats allow small parties to exist with a small share of the vote (Grofman, 1999). From the viewpoint of the electoral system, SNTV is, by nature, semi-proportional; the degree to which votes translate to seats is not favorable for major parties (Lijphart, 1999). In other words, the emergence of new parties only reflects the system-level influence of SNTV. This system-level explanation, however, fails to explain how the KMT had successfully allocated resources to overcome the constraints of the electoral system. To better understand the dynamics of candidate coordination, we need to examine the way the KMT...
uses local factions and chairmanship in the Legislative Yuan to coordinate candidates.

4. Party Coordination of the KMT

The KMT's success in candidate coordination from the 1980s through the 1990s poses a challenge for scholars interested in the representation of the SNTV system. First of all, the KMT has been over-represented in terms of seat share; the KMT's seat share used to be larger than its vote share, particularly before the DPP emerged (Hsu and Chen, 2002). This runs against the theory that SNTV is a semi-proportional system in which small parties could easily secure seats in medium-sized districts (Taagepera and Shugart, 1989). Secondly, the KMT has done particularly well in large districts (Cox, 1996; Cox and Niou, 1994). It is puzzling because the SNTV system should be favorable for small parties in large districts, since a smaller share of the vote is required to win a seat. In addition, large districts should be unfavorable for large parties, since they have to solve candidate coordination problems, such as under-nomination and over-nomination errors (Lijphart et al., 1986).

To measure party coordination, Cox and Niou (1994) calculated the difference between the KMT's vote share and its seat share to obtain the 'seat bonus'. Their analysis indicates that the KMT's seat bonus is an increasing function of district magnitude. Cox (1996) computed the 'winnable seats' for the KMT and the DPP, and summed the actual number of seats won for each number of winnable seats. He claimed that the governing party edged out the opposition party in large districts due to the opposition party's coordination failures. Hsieh and Niemi (1999) and Hsieh (1999) used the same index as Cox and Niou's (1994) data, but concluded that the KMT performed better in smaller districts and, in fact, manipulated the institutional design in favor of small districts. The mixed evidence does not tell us whether the KMT manages candidate coordination effectively. In addition, it is sufficient to use a single indicator to measure candidate coordination.

There are also plenty of empirical observations regarding the way that the KMT divides votes among candidates. The first type of research focuses on the vote-gathering strategy of the KMT, particularly through local factions. In order to prevent an island-wide opposition force from emerging, the KMT allowed local politicians to organize their personal followings to compete with each other (Chen and Lin, 1998). Local factions are formed on the basis of regional and personal networks, and they collect revenues from chartered industries such as transportation and construction. Through local factions, the KMT can easily divide the multi-member districts into small units, coordinating candidates systematically. Hwang (1994) found that candidates backed by factions were much more likely to win the seats in the 1992 legislative election. Lin (1996) used Taichung County, Kaohsiung County and
Taipei County to show: (i) the weak correlation among each candidate’s vote share, and (ii) the high correlation between KMT’s endorsement and the number of seats they won. In his later research, Lin (1998), using correspondence analysis, found that the KMT’s seat gains depended on the degree to which candidates concentrate their votes in sub-district regions. Sheng (1998) also used the variance of votes in districts as an indicator and showed that local factions help candidates concentrate their votes in small portions of districts. Liu (1999) showed how it is possible for the KMT to instruct voters to vote in ‘responsibility zones’. The second type of research investigates how voters respond to the KMT’s vote-equalization strategy. Hwang (1999) argued that in multi-member districts strong partisans are more likely to follow a vote-equalization strategy than weak partisans. Chu (1994) suggested that KMT supporters have a higher probability of consistent voting across different elections. The KMT enjoys a higher degree of stability because their supporters, with a higher probability of consistently voting along party lines, habitually vote for them.9

Those findings on local factions present a ‘bottom-up’ picture of the KMT’s candidate coordination, namely that the KMT used local factions to maintain its dominance in the first place, and then relied on their support particularly after the DPP and other new parties emerged (Wang, 1998). This explanation of KMT coordination is compelling, but overlooks another coordination tactic, i.e. allocation of legislative resources. In the context of American congressional elections, incumbency advantage prevails because the incumbent congressmen enjoy a great deal of privilege when serving the constituency, thus gaining support in subsequent elections (Cain et al., 1987). McCubbins and Rosenbluth (1995) contended that Japan’s ruling Liberal Democratic Party (LDP) institutionalized particularistic and personalized interests to divide votes among candidates. Their major finding is that the spending on particularistic programs increases with the number of LDP members in the Diet, and committee chairmanship is assigned along with the division of districts.10 In Taiwan, the link between government expenditure and the fate of the ruling party’s nominees is also evident. Luor (1999) showed that the amount of expenditure going to a given district is related to the number of KMT members in concerned standing committees. Lin (1996) also found a direct relationship between the amount of government subsidy for a given district and the number of representatives from the district. The next section presents the argument that the KMT intentionally increases the prospects of its candidates through the assignment of chairmanship.

5. Party-Based Models of Candidate Coordination

Legislative politics links the campaign in local districts to party coordination. The process of resource allocation in representative democracy takes
place in the legislative and executive bodies. The legislators delegate power to standing committees for better expertise and division of labor, which, to some extent, stimulates the autonomy of standing committees. Scholars have shown that such a division of labor in the US Congress facilitates constituency service and exchange of votes on legislation (Cox and McCubbins, 1993; Owens, 1997; Shepsle et al., 1987). The institutionalization structure produces a soaring incumbent re-election rate and the autonomy of standing committees (Polsby, 1968).

To control the platform and to reward party members, American political parties assign loyal party members to important standing committees, such as Appropriation, Ways and Means and Rules (Cox and McCubbins, 1993; Rohde, 1991). Lawmakers for the most part choose the committees where they can best serve their constituents (Fenno, 1973; Rohde and Shepsle, 1973). In addition, the position of committee chairperson is critical to agenda-setting. Before the 1970s, the members of each standing committee selected the chairperson according to seniority. The careers of congressmen sustained the seniority system, but sabotaged the proceeding of specific bills due to ideological conflict among the party members. In the 1971 reform, the party caucus reassumed control over committee chairmanship (Crook and Hibbing, 1985; Rohde, 1991). In research comparing the Congress in the United States and the Diet in Japan, similar patterns of party control were found (Epstein et al., 1997). The LDP's Diet members commit to particular policy areas by attending special committees and taking on positions (Richardson, 1997).

In Taiwan, legislators sign up for the committees in which they are interested. On the one hand, committees that involve distribution of local projects, such as transportation, banking or agriculture, appeal to legislators who have strong relationships with interest groups. On the other hand, committees that require expertise, such as education, diplomacy or national defense, attract specialist lawmakers (Hwang, 2000). In the past, a lottery was used to decide who could join the committee if the number of legislators exceeded the designated size of the committee. Since the 2001 Legislative Yuan, however, the party caucus has allocated the seats in standing committees. Chairpersons are elected among committee members. Each committee may have no more than three chairpersons. According to the norm of the Legislative Yuan, each party may have no more than one chairperson in each standing committee. Chairmanship is crucial to agenda-setting and proceedings of the meetings. If the committee review is not completed before re-election, the next Legislative Yuan cannot review the bill again. The way the chairperson moderates the meeting is therefore vital to the bill.

Based on the previous literature, political parties seek to increase the prospects of party members through chairmanship. However, the chairperson has better access to particularistic interests. The first hypothesis presented here is that the allocation of chairmanship relates to the district

67
of committee members. It is argued that political parties tend to assign the position of chairperson to representatives from the districts in which the seat shares have declined. Once we ascertain whether chairmanship is delivered to lawmakers in need, we can examine how it works for re-election. The second hypothesis is that chairpersons are more likely to be re-elected than are ordinary incumbents. The success of candidates in districts reflects the success of nomination; the number of chairpersons in a given district can be predicted from the seat gains of political parties in the district. The third hypothesis therefore states that the more chairpersons there are in a given district, the more seats a party can win, considering the number of party nominees. The KMT in the 2001 legislative election was doomed to fail because it did not coordinate chairpersons to make as many appearances in each district as possible.14

6. Effect of Chairmanship on Re-election

If chairmanship is indeed controlled by the party, there should be a significant pattern of chairmanship assignment. The first hypothesis states that the KMT intends to equalize votes through legislative politics by giving chairmanship to its party members who have small margins in districts. In this article I examined the election data and divided winning candidates into two groups according to whether their votes were among the first half of the winning candidates or not; this methodology assumed that the KMT tended to arrange chairmanship for those who were in the lower ranking. Table 3 provides clear evidence that the KMT is aware of the benefits of chairmanship and manipulates it to maximize its seat gains. Among 116 chairpersons, 82 were ranked low in their previous elections. Obviously, the KMT tends to grant trailing candidates chairmanship to increase their electoral prospects.

Moreover, Table 3 shows that in the period 1998 to 2001 the KMT arranged the lowest percentage of low-ranked party members for the position of chairperson. Undoubtedly, this was partly due to the increasing

<table>
<thead>
<tr>
<th>Table 3. KMT chairpersons and their rankings in the previous election by year</th>
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<tr>
<td>Low-ranked chairpersons</td>
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<tr>
<td>High-ranked chairpersons</td>
</tr>
<tr>
<td>Total*</td>
</tr>
</tbody>
</table>

Data: Compiled from the various proceedings of the Legislative Yuan.
Note: Percentages are in parentheses. *Only the chairpersons elected in district-level elections are counted.
number of standing committees, which increased from 10 in 1995–98 to 12 in 1998–2001. Moreover, in the 1989 Legislative Yuan there were lifetime members who took chairmanship but did not participate in the 1992 election. Comparing the 1995 and the 1998 Legislative Yuan, however, we can see why the KMT failed to win the 2001 general election. Had the KMT given more chairmanships to those party members who had less impressive performances in the last election, it would have won more seats in 2001. This reveals the importance of distributing particularistic interests effectively.  

The electoral importance of chairmanship admittedly remains an open question, but empirical data have provided some degree of evidence to suggest its validity. Using a logistic regression model to predict the odds ratio of being re-elected as shown in Model 1 tests the second hypothesis of this study. The expectation is that the coefficient of chairmanship is positive, controlling for district magnitude, year and whether the magistrate of the district is a KMT member or not. District magnitude may positively factor in the election outcome for the KMT candidates because it is found that the KMT won more seat bonuses in large districts than in small districts (Cox and Niou, 1994). The KMT magistrate is likely to receive more government subsidy from the Executive Yuan than the non-KMT magistrates (Luo, 2001); the KMT incumbents can claim some credit for this.  

Model 1: \[ \log(P/1 - P) = \beta_0 + \beta_1 \text{(number of chairmanships)}_{it} + \beta_2 \text{(district magnitude)}_{it} + \beta_3 D1_{it} + \beta_4 D2_{it} + \beta_5 D3_{it} \]
where \( P \) denotes the probability of being re-elected; \( D_1, D_2, D_3 \) denote the dummy variable of the election year, 1995, 1998 and 2001; \( i \) the district and \( t \) the election years.

The result of the logistic regression model is given in Table 4, confirming the hypothesis. Chairmanship is influential for the re-election of KMT

| Table 4. Logistic estimate of chairmanship on the probability of being re-elected |
|-----------------|-----------------|-----------------|-----------------|
| Coefficients    | Standard error  | p-value         |
| Chairmanship    | 0.410           | 0.252           | 0.103           |
| Magistrate\(^a\)| -0.033          | 0.252           | 0.897           |
| District Magnitude | 0.004         | 0.030           | 0.901           |
| Year\(_1\)^b   | -0.337          | 1.170           | 0.279           |
| Year\(_2\)^c   | 1.112           | 0.343           | 0.001           |
| Year\(_3\)^d   | -0.008          | 0.297           | 0.978           |
| Constant        | 0.415           | 0.368           | 0.259           |

Note: Number of observations = 391, \(-2 \log \text{likelihood} = 472.036\), percentage correct = 67%.
\(^a\)Dummy variable coded as 1 when the KMT took the magistrate office, 0 otherwise. \(^b\)Dummy variable coded as 1 when the election year is 2001, 0 otherwise. \(^c\)Dummy variable coded as 1 when the election year is 1998, 0 otherwise. \(^d\)Dummy variable coded as 1 when the election year is 1995, 0 otherwise.
incumbents. Although the coefficient of chairmanship variable is only significant at the 0.1 level, it is on the positive side. This indicates that incumbents would be more likely to win re-election if they have served as a chairperson.\textsuperscript{16} District magnitude is not associated with the likelihood of being re-elected, mainly because the KMT incumbents are not necessarily elected more easily in large districts. This shows that there is no intervening effect of this district characteristic between re-election and chairmanship. Finally, the KMT incumbents were more likely to be re-elected in 1998 in part because the magistrate and legislative elections were held separately.\textsuperscript{17}

7. Chairmanship, Local Factions and KMT Seat Gains

Given that chairmanship contributes to the odds of being re-elected, and that the KMT tends to distribute chairmanship among the incumbents who do not stand a good chance of being elected, it is assumed that the number of chairpersons in a given district accounts for the KMT’s seat gains. This hypothesis is different from the first one in that it explains the overall KMT seat gains in each district. If chairmanship is used as a particularistic interest to coordinate candidates, the KMT should have distributed as many chairpersons in each district as possible. In other words, we can regress the KMT’s seat gains on the number of its chairpersons in each district.\textsuperscript{18} If the coefficient of the number of chairpersons in the regression model is positive, this implies that the performance of the KMT in each district depends on how well it assigns chairmanship.

In addition to this main variable, the analysis also varied the number of KMT local factions by considering whether local factions remained influential to the KMT seat gains. It is expected that their influence remains strong in spite of modernization. Moreover, several election years were examined to see if the influence of both factors invariably remains across elections. These two OLS equations are written as follows:

Model 2: $E(Y_i | X) = \beta_0 + \beta_1 \text{ (number of chairmanships)}_i + \beta_2 \text{ (number of local factions)}_i$, where $i$ denotes the district, $i = 1$ to 103.

Model 3: $E(Y_{it} | X) = \beta_0 + \beta_1 \text{ (number of chairmanships)}_{it} + \beta_2 \text{ (number of local factions)}_{it} + \beta_3 D1_{it} + \beta_4 D2_{it} + \beta_5 D3_{it}$, where $D1$, $D2$, $D3$ denote the dummy variable of the election year, 1995, 1998 and 2001; $i$ the district and $t$ the election years.

The coefficients in Model 2 show that both chairmanship and local factions significantly and positively affect the KMT’s seat gains. First of all, it indicates that we can use chairmanship to predict the average number of seats won by the KMT. When there are five more chairpersons participating in the election in a given district, the number of winning seats increases by
Table 5. Determinants of the number of seats won by the KMT

<table>
<thead>
<tr>
<th></th>
<th>Model 2</th>
<th>Model 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Constant</td>
<td>0.934 (0.158)**</td>
<td>1.123 (0.270)**</td>
</tr>
<tr>
<td>Chairmanship</td>
<td>0.231 (0.108)**</td>
<td>0.326 (0.113)**</td>
</tr>
<tr>
<td>Local factions</td>
<td>0.620 (0.080)**</td>
<td>0.586 (0.085)**</td>
</tr>
<tr>
<td>Year_{1}^a</td>
<td>-</td>
<td>-0.436 (0.329)</td>
</tr>
<tr>
<td>Year_{2}^b</td>
<td>-</td>
<td>-0.194 (0.323)</td>
</tr>
<tr>
<td>Year_{3}^c</td>
<td>-</td>
<td>-0.005 (0.327)</td>
</tr>
<tr>
<td>Adjusted R^2</td>
<td>0.531</td>
<td>0.528</td>
</tr>
<tr>
<td>Number of observations</td>
<td>103</td>
<td>103</td>
</tr>
</tbody>
</table>

Data: Local faction data comes from Sheng Shin-yuan.
Note: Entries are standardized coefficients. Standard errors are in parentheses. *Dummy variable coded as 1 when the election year is 2001, 0 otherwise. **Dummy variable coded as 1 when the election year is 1998, 0 otherwise. ***Dummy variable coded as 1 when the election year is 1995, 0 otherwise. *p <= 0.1, **p <= 0.05, ***p <= 0.01.

The number of local factions has a greater impact on the dependent variable than that of chairmanship. The KMT can win an additional seat if it finds two local factions in the district. This finding confirms the importance of local factions in the legislative elections.

Model 3 shows that the effects of chairmanship and local factions remain significant when the election year is controlled. This implies that local factions and chairmanship are still critical to the KMT’s success after the change of the ruling party. Failing to utilize these two resources would lead to the loss of seats.

The above discussion has confirmed all three hypotheses presented in this study. Firstly, chairpersons have a better chance of being re-elected than non-chair incumbents do. Secondly, the KMT tends to assign chairmanship to those who are on the edge of the districts in the previous election, making them more qualified for re-election. Finally, the KMT’s seat share is a function of the number of chairpersons and local factions.

8. Conclusion

The main objective of this article was to explain how political parties, through legislative politics, coordinate candidates in multi-member districts. Light is shed on the success of the KMT and DPP’s nominations, and how the KMT gained advantage by using local factions and chairmanship is explained. Chairmanship is one of the particularistic interests that political parties can distribute among party members to maximize seat gains. I also found that chairpersons are more likely to be re-elected than non-chair incumbents. Moreover, the KMT has done an excellent job in equalizing
chairmanship, with the exception of the period between 1998 and 2001. Lastly, this study confirms that the KMT's seat share directly increases with the number of chairmanships and local factions. For unexplained reasons, the KMT failed to distribute chairmanship effectively in 2001 and consequently suffered great seat losses in the 2001 election.19 Political parties can win more seats nationwide through distributing personalized interests via local factions and in the form of committee chairmanship. The extent to which parties manage the legislative process and get it to coincide with the configuration of government and election rules remains an open question; thus, an extensive observation on party competition and the legislative process is necessary. Finding that the legislative process affects the seats of political parties in Taiwan, we will have a broader perspective as we study party competition and the legislative process.

Although this is a case study of Taiwan, my findings can be generalized to other political systems, particularly those with SMDs. The authors of The Personal Vote (1987) have shown that the notion of personal vote—a candidate's electoral support comes from his or her personal qualities and constituency activities rather than partisan affiliation—is in fact plausible in the United States and Britain, where the SMSP system is used. Personal vote is emphasized there because the SMD election encourages individualistic incentives (Shvetsova, 1995). In this case, I expect that committee chairmanship as a mechanism of candidate coordination will contribute to the vote shares of incumbents in SMDs.

Notes

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1 Although it is sometimes possible for parties to force candidates to withdraw from the district, this situation is not within the scope of my article.
2 Here I assume that candidates are short-term instrumental rational actors. Every election is a one-shot game, and the set of actions for each candidate contains only two actions: fight or withdraw. The choice between two actions is based on campaign resources and the expectations of being elected. According to this setting, candidates would not trade votes in any election.
3 For a discussion of under-nomination, over-nomination and failure to equalize votes, see Cox and Niou (1994).
4 In 1969, 11 new members who served lifetime terms were elected in Taiwan and overseas Chinese communities. In 1971, an additional 51 seats were added to the Legislative Yuan. Fifteen out of the 51 seats were from overseas Chinese
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communities. In 1980, the number of new legislators was increased to 97, of whom 27 were assigned to overseas Chinese communities. In 1986, 74 legislators were elected in Taiwan. Since adoption of the PR system in 1992, around 36 seats have been assigned to candidates on party lists according to the vote shares of parties. In 1998, the number of PR seats increased to 49. Among the representatives, there are some special delegates elected by the Qimoy and Lienschang County residents and indigenous groups. Here, I only consider the electoral outcomes of the district-level elections held in Taiwan.

5 Since the 1995 election, Taipei County has been divided into more than one district; therefore the 17-seat district no longer exists.

6 For information about political parties in Taiwan, see the Appendix.

7 When the number of nominees increases, the vote equalization process reduces the V/N ratio, i.e. fewer total votes are required for a candidate to be successful. Vote equalization indeed works. In other words, the decreasing number of nominees brings in more votes for the winning candidates on average. Every winning candidate getting fewer votes, however, means that the winning candidates as a whole lose votes to other parties.

8 ‘Winnable seat’ means the maximum number of seats that a party can win. The actual vote totals by all candidates are taken as fixed, then the number of winnable seats is calculated by dividing the vote totals for a given party by its number of candidates.

9 Lin (1996), Hwang (1999) and Chu (1994) all contrasted SMD, e.g. County Magistrate Election, with multi-member district to highlight the effect of SNTV on voting behavior.

10 Lin (1996) had a similar finding.

11 Constituents should be defined broadly; they can be geographically defined and group-based defined. Here they refer to all constituents that lawmakers rely on to win re-election.

12 Independents and post-election party alliance used to bargain with the major parties to have at least one chairperson in standing committees. Here the analysis focuses on the major parties only.

13 For comments on how the party caucus stresses the assignment of party members and chairpersons, see http://www.new7.com.tw/weekly/old/497/article022.html.

14 Here I assume that parties intentionally select loyal party members as chairpersons. In other words, through chairmanship incumbents will have a better chance of being re-elected. I could be argued that the selection of chairpersons is not entirely dependent on political parties; party members can take the position with the strong support of local factions or interest groups. Nevertheless, this argument contradicts Lin’s (1996) finding that most committee assignments do not overlap in a given district. In other words, parties are able to handle committee assignment and chairmanship, which is more important for parties than committee assignment alone.

15 Here the intention of chairpersons to run for re-election is not considered. These findings merely suggest that the KMT decides who receives chairmanship.

16 Obtaining the magnitude of the variables requires transformation of the coefficients to log value, which is not relevant to the analysis here.

17 The reference group is the 1992 election, i.e. one year before the 1993 magistrate election. The 1995 legislative election is just midway through the four-year term of the magistrate election. The 1998 election is only one year after the 1997
magistrate election, which may have given the KMT government an incentive to grant more subsidies to local governments with KMT members. The 2001 legislative elections were held with the magistrate election.

18 The term of the chairperson lasts one congressional period, which is about six months. A committee member can serve as chairperson more than once. However, incumbent chairpersons are counted only once for serving, regardless of how many periods they have been in the position. In other words, the expected benefits of being a chairperson are not transferable to other incumbents or challengers, which is rational by the logic of multi-member district. Chairpersons who are not elected in the district are also counted.

19 This is puzzling because the KMT was still the majority party in the Legislative Yuan even after it lost the 2000 presidential election. Their allocation of chairmanship should therefore have remained the same. This point requires more research on the legislative politics.

References


Epstein, David, David Brady, Sadafumi Kawato and Sharyn O’Halloran (1997) ‘A


Appendix: Glossary of Taiwanese Parties

Kuomintang (KMT): The Kuomintang, also known as the Chinese Nationalist Party, is the oldest party in China. The present name was adopted in 1924, when Dr. Sun Yat-sen organized its party members along the Leninist model. Generalissimo Chiang Kai-shek succeeded Dr. Sun and established the national government at Nanjing in 1928. Though defeating Japan in 1945, Chiang’s administration lost its battle against the communists and its members fled to Taiwan in 1949. After Chiang Kai-shek passed away, his son, Chiang Ching-kuo, served as chairman of the KMT and President between 1975 and 1988. He picked Lee Teng-hui as Vice-President, who assumed the office of President and was popularly elected in 1996.

Democratic Progressive Party (DPP): Although only recognized as a legal political party in 1986, its political pro-independence roots go back to the 1950s, when opposition forces first challenged the KMT and called for sweeping reforms and a referendum on national sovereignty.
New Party (NP): Established in 1994, this splinter group from the KMT maintains the KMT's 'one China, two entities' position. Because of another splinter party, the People First Party (PFP), the NP's seat share in the Legislative Yuan plummeted from 14 to 1 in the 2001 legislative election.

People First Party (PFP): The PFP was founded by James Soong in the aftermath of the 2000 presidential election. Being elected as the governor in 1993, Soong was viewed as the most likely presidential candidate of the KMT when Lee Teng-hui retired. In 1996, Soong broke with the KMT when it decided to reduce the size of the provincial government.

Taiwan Solidarity Union (TSU): The pro-independence TSU was led by former President Lee Teng-hui. It was composed of former legislators and councilors, and played an important part in the Legislative Yuan.

CHIA-HUNG TSAI is Assistant Research Fellow at Election Study Center of the National Chengchi University. He received his PhD in 2003 from the Ohio State University. He has published papers on social networks, turnout, presidential election forecast and party leadership of the House of Representatives. Currently, he is analyzing the interaction of political institutions and voting behavior in different countries.

ADDRESS: Election Study Center, National Chengchi University, 64 Zhif-nan Rd. Sec. 2 Taipei City, Taiwan 116, PRC. [email: tsaih@nccu.edu.tw]

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