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Introduction[*]

Sometimes parties do moderate. They go through a process of ideological and organizational change in order to convince voters that in case they win elections, their policies will be moderate even if in the past they have defended radical platforms. This transformation tends to be traumatic, often accompanied by splits and fierce fights within the party. Moreover, the battle takes place in a rather visible manner, the public being aware of the internal tensions in the party. Moderation is typically embodied in extraordinary congresses of the parties. Some examples from the left are the abandonment of Marxism by the German SPD in the 1959 Bad Godesberg extraordinary Congress and by the Spanish PSOE in the 1979 extraordinary Congress, the renunciation of the dictatorship of the proletariat by the French PCF in the 1976 XXII Congress and of Leninism by the Spanish PCE in the 1978 IX Congress, and the metamorphosis of the Italian PCI into the PDS in the 1991 XX Congress. There are cases where moderation is the outcome of a slow evolution, without the drama of extraordinary congresses. An outstanding instance is the gradual change of the British Labour Party between its 1983 radical platform and its winning 1997 moderate one.

It may seem strange that moderation would be a painful process for parties. After all, the standard theory of electoral competition establishes that there will be convergence to the center. Moderation could be taken as a confirming instance of this convergence. But if moderation is the natural course of action, then it is a mystery why it produces such hard struggles within parties. Actually, the interesting facts about moderation are not contemplated by this standard theory. I argue that moderation is difficult because of a problem of credibility raised by the existence of politicians with different preferences. Moderate voters who reject radical platforms may believe that platform change is only a deceitful tactic, that once in power the party will revert to its extremist stance. As it was said so often in the times of Eurocommunist parties, the party could be a wolf in sheep's clothing. Radical parties could

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use electoral tactics to accede to power and then subvert the established order, an outcome feared by the moderate electorate.

This problem only makes sense if there are politicians with different preferences and if voters are unsure about what kind of politicians they are facing. I propose a game-theoretical model of incomplete information to deal with this issue. Voters observe moderation but do not know whether the party is dominated by radicals or moderates. Radicals compete with moderates for the control of the party. Moderate voters, who are crucial for the electoral victory of the party, want both to punish radicals and to support moderates.

The analysis of the game shows that the internal fights observed in party congresses and the formal renunciation of well-entrenched ideological commitments can be explained as costly signals sent by the party to the voters, saying that the party's movement to the center is sincere. The deeper the ideological and organizational transformation, the more credible the moderation. Moderation, even when it is promoted with the aim of deceiving, is risky for radicals. When it does not result in electoral victory, radicals pay a high cost: they value the maintenance by the party of ideological principles. The greater this risk, the more likely that moderation is sincere, that is, that moderation is the consequence of moderates' hegemony within the party.

This analysis of party moderation has a number of implications for the literature on political parties. It addresses three important issues: (i) the motivations of politicians; (ii) the strategies of parties when parties are not unitary actors; and (iii) the credibility constraints parties face when they want to move along the ideological axis. Of course, the three issues are closely related to each other. Parties are not unitary actors because there are internal fights generated by different types of politicians. Thus, the electoral strategies of parties are the outcome of the bargaining between these types of politicians. And precisely because there are different kinds of politicians, parties' movements in the ideological space are not necessarily credible. When radicals act as moderates, the party resembles a Trojan Horse. The party must

persuade voters that moderation is sincere, that radicals do not hide under moderate platforms.

Of these three issues the most basic one has to do with the preferences of politicians. Were politicians pure vote-maximizers, the distinction between radicals and moderates would not be justified. Voters, knowing that politicians are only interested in winning elections, would simply vote for the party closer to their ideological position. On the other hand, were politicians motivated only by ideology, the moderation of radical parties would never be credible. Voters would be sure that pledges of moderation are not reliable. Very often, moderates and radicals live together in the same party. This coexistence is the source of the credibility problems I deal with in this paper.

In the first section I discuss the motivations of politicians. Radical and moderate party-members are distinguished. Moderates only care about votes and power. Radicals are policy oriented and they suffer some sort of ideological rigidity which I define later on. They derive utility from the fact that the party defends a radical platform. The introduction of this rigidity in the utility function of radicals produces some changes in the standard models of politicians with policy preferences.

In the second section I develop the model, which is subject, as usual, to some important limitations. On the one hand, the game is static, while obviously the electoral competition repeats over time. However, there are some reasons to think that the repetition of elections is not enough to overcome the problem of credibility: voting is an imperfect mechanism of accountability. On the other hand, I present a partial equilibrium analysis, in the sense that only one of the parties is allowed to moderate: the other party is keep fixed in some point of the policy space. What really interests me is the interaction between voters and an internally divided party. The consequences of this interaction for the dynamic of party competition are left unexplored.

In the third section I examine some real cases of party moderation. Only parties of the left are selected and all cases of moderation I present occurred while the party was in

opposition. I do not consider the possibility of incumbent parties moderating, since the problem of credibility is then much less relevant: the party can use policy to convince voters of true moderation. Although the selected cases are not intended to confirm the model, I hope to show that their underlying logic is revealed when seen under the light of the model.

1. The motivations of politicians.

Unlike other social contexts where the imputation of preferences to the agents is not problematic, the context of electoral competition is not tight enough to determine the preferences of voters and politicians in an unique way. Of course the problem is more serious for voters, whose reasons to choose a party may vary a lot, but even in the case of politicians it is not clear at all what they pursue. The "natural" assumption about their motivation seems to be the maximization of votes. But votes by themselves are not valuable: votes are means either to accede to government or to make policy. Downs (1957) considered that the ultimate goal of politicians is power, so that policy is only the instrument used by politicians to win elections and come into government. However, there is a tradition dissenting from Downs which considers that politicians care about policy in itself (seminal works are those of Wittman (1973; 1983) and Schlesinger (1975); a review can be found in Laver and Schofield (1990: Ch.3)). The issue is blurred by the fact that politicians who present themselves as having intrinsic policy concerns have some electoral leverage over politicians who appear only worried by power. Moreover, the dilemma between power and policy is not exhaustive. There are other possibilities: politicians, for example, could pursue fame (Cowen and Sutter 1997).

The literature on politicians' preferences would be pointless if both kinds of motivations lead to the same predictions. Given that no policy can be made if politicians are out of power, it could be that the fight for votes is enough to understand their behavior. It is well-known that if politicians only have preferences for power, the structure of the electoral contest generates a unique outcome for political parties, convergence to the position of the

median voter. There is a wide discussion about whether politicians with policy motivations will also converge to the median (see, for example, Calvert 1985; Alesina and Rosenthal 1995; Hinich and Munger 1997).

I want to consider a more concrete issue than convergence to the median, though it is clearly related to it. With policy preferences, there may be problems of credibility that are absent when politicians only care about office. If politicians seek power, they announce a platform that allows them to win elections and once in government they implement the announced platform with the hope of remaining in office. When politicians have policy preferences, they announce a platform also with the aim of winning elections but, in case they win, they have an incentive to deviate from the announced platform if it does not coincide with their ideal policy. The initial platform, therefore, is not necessarily credible. It could be thought that the credibility problem is overcome thanks to the repetition of elections (this argument has been explored by Alesina 1988 and Alesina and Rosenthal 1995). Radicals would fulfill their promises of moderation in order to maintain the reputation of reliable politicians. The role of reputation is often overstated in models of electoral politics. The mechanism of voting is very imperfect in terms of inducing accountability. Only under really demanding conditions voting serves to control the behavior of politicians (see Ferejohn 1986, Stokes 1997 and Manin, Przeworski and Stokes (forthcoming)). Thus, even if it is possible that reputation reduces the problem of credibility, it is doubtful that it can solve it completely.

Voters can be uncertain about the kind of politicians that dominate in a party. Precisely because voters are not sure about the preferences of politicians, they do not believe everything said by them. Suppose a party which, for historical reasons, is rather distant from the median position and tries to move to the center. Voters cannot know for sure whether this movement is sincere or it is simply an electoral strategy to win elections and carry out later a radical policy. Parties face credibility constraints when they decide to move to the center.

To analyze this problem, the possible preferences of politicians have to be worked out in a more careful manner. Various ideal types of politicians have been offered in the literature on parties: office-seekers / benefit-seekers (Schlesinger 1975); careerists / believers (Panebianco 1988); vote-seekers / office-seekers / policy-seekers (Strom 1990); vote-

maximizers / office-maximizers / policy-ideology advocates / intraparty democracy maximizers (Harmel and Janda 1994); reformists / militants / opportunists (Roemer 1998). For the model I develop in the next section, it will be enough to distinguish between radicals and moderates[1]. The distinction between radicals and moderates has been widely employed: for instance, to analyze the credibility problems of religious parties (Kalyvas 1997), or to understand the strategic context of transitions to democracy (Przeworski 1991: Ch.2; Zielinski 1995) and the breakdown of democracies (Cohen 1994).

Radicals have policy preferences. They care about what policies are enacted. But, unlike other models of policy preferences, I assume that radicals are interested too in keeping the party faithful to their ideological principles. This means that radicals care not only about the distance between their ideal point and actual policy, but also about the distance between their ideal point and the party's platform. Radicals have to balance the benefits of an electoral victory over the incumbent and the costs associated to the ideological sacrifices needed to achieve such a victory. For radicals the abandonment of the constitutive ideological principles of the party is a heavy loss.

The nature of radicals is a combination of policy preferences and some degree of ideological rigidity. They are ideologically stubborn. According to this description, radicals might be ready to forego an electoral victory in the short run, even if this victory is associated with policies closer to their ideal point, because they want to avoid the loss of some ideological principles required to win elections. A good example of this ideological rigidity appears in the words of one of the leading opponents to the giving up of Marxism in the PSOE in 1979, Pablo Castellano: the party "should abandon the electoralist line, (…) the use of opinion surveys as political guides, and frivolous improvisation, and return to class analysis and behavior. The party must return to being a party of workers' struggle and not of

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[1] The world of parties is complex enough as to preclude any definitive classification of motivations. We do not have to choose the right one. The key is to be explicit about the range of motivations one is prepared to contemplate. Note that in this pragmatic approach the danger of "adhocness" is not greater than if we try, as done by Harmel and Janda (1994), to construct a comprehensive framework -what they call "an integrated theory of party goals"- in which almost *any* motivation is possible.

populist representation"[2] (quoted in Gillespie 1989: 342). Rigidity may lead to rejecting partial or relative improvement with regard to the status quo: for radicals, the only victory that counts is the the final and complete one. Radicals have an uncompromising attitude towards politics.

Ideological rigidity makes sense when party members consider that citizens' preferences are not exogenous, but rather a function of the very activities of parties (Przeworski and Sprague 1986; Iversen 1994; Kalyvas 1996). If politicians believe that the party has the capacity to mold voters' preferences in the long run, they might hope to attract progressively more and more votes without giving up their basic ideological tenets.

Moderates, on the other hand, are vote-maximizers. They are only interested in winning elections. They do not pay any attention to ideology, except for instrumental reasons. For them, the party's ideological pronouncements are means to gain votes. If someone feels uneasy with this oversimplified characterization of motivations, it could be said that moderate politicians have policy preferences that tend to coincide with the preferences of moderate voters. Since I assume that there are more moderate voters than radical ones, as long as we have this coincidence between moderate politicians and moderate voters it does not make a difference to suppose that moderates are either vote- or policy-maximizers.

A good illustration of the differences between radicals and moderates can be found in the responses of delegates to the XIX Congress of the Italian PCI in 1990 (Ignazi 1992: 150). When asked about the future strategy of the party, 21% of delegates chose the answer "My party should always be faithful to its principles and goals, even if this leads to a loss of votes". These are the radicals. By contrast, 44% preferred the statement "My party should try to obtain votes and to represent the interests of the greater number of groups and voters". These, obviously, are the moderates.

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[2] Another radical leader, Luis Gómez Llorente, said something very similar: "It is not a matter of taking away two million votes from the UCD [the incumbent right-wing party] through populist means or by distorting the socialist message" (my translation, quoted in Santesmases 1985: 68).

Moderate voters do not know with certainty the internal composition of the party when the party says it has moved to the center. They do not know the proportion of moderates. Moderates attempt to convince voters that they have taken control of the party. But the problem lies in that the moderate electorate is aware that radicals have incentives to act as if they were moderates. True moderates, then, have to find ways to show that moderation is sincere.

2. A model of party moderation.

In the model we have two parties, a left party in the opposition and a right party in government. This specification of opposition and incumbent is arbitrary and inconsequential, but it fits well the kind of empirical illustrations of Section 3. If we take a one-dimensional policy space, the left party is located at point x_L*, which corresponds to the ideal point of radical party members. The right party is at x_R*. The median voter has an ideal point x_M* in the center of the distribution (see Figure 1). The median voter is closer to the incumbent party than to the left one. The left party has obtained poor results in several past elections. Given its location, it is unable to get the support of the median voter. If the median voter decides to vote for the left party, the party wins a majority. I assume therefore that even if there is a trade-off for the left party between radical and moderate voters, there is a net gain of votes as a consequence of moderation (otherwise moderation is not an issue).

The party has to decide whether to moderate or not. If the party moderates, it moves to some point x_L such that $2x_M* - x_R* < x_L < x_M*$. Therefore, x_M* is closer to x_L than to x_R*. Then, if the median voter believes that moderation is sincere, he votes for the left party in the next election. If he thinks that moderation is only a tactic, that is, that once in government the left party will revert to policy x_L* though it promised x_L, he does not vote for the party. If the party does not moderate, the status quo policy x_R* remains: the left party is kept out of government.

Figure 1.

| x_L^* | | x_L | x_M^* | | x_R^* |
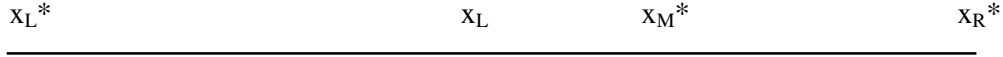
x_L^* = ideal point of radicals, current platform of the left party
x_L = position of the left party after moderation: $2x_M^* - x_C^* < x_L < x_M^*$
x_M^* = ideal point of the median voter
x_R^* = ideal point of the right incumbent party

I will consider fixed the position of the incumbent party somewhere to the right of the median position. Two reasons might justify this assumption. It can be argued that the right party cannot react in the short run to the moderation of the left party. Moderation takes time, it requires changes in ideology and quite often in the personnel and organization of the party. Also, it can be said that the incumbent cannot change its on-going policy if its only reason for that change is the neutralization of the opposition strategy. This could be taken as pure electoralism by the voters, thus causing some electoral cost to the incumbent.

I want to focus on the interaction between the left party and the moderate electorate, the right party being only a parameter. In this sense, the results of the model represent only a partial equilibrium in the more general game of political competition.

The interaction between the opposition party and the moderate voters can be represented as a game of incomplete information where voters do not know for sure whether the left party is dominated by radicals or moderates. As can be seen in Figure 2, Nature starts and chooses with probability p a left party dominated by radicals, and with probability $1- p$ a left party dominated by moderates. The values that p adopts in each case are related to the past record of the party. The more radical the left party has shown itself in the past, the higher p. Nature, in this case, could be more aptly characterized as "History", that is, the ideological tradition of the party up to the present time.

The left party moves next. It can either moderate or not moderate. If it moderates, the median voter comes into play. He can believe the moderation and vote for the party, or he can disbelieve and punish the party. If he votes for the party, the party wins the next election. Then the party can do two things: either to fulfill the promise of moderation or to break the promise and carry out radical policies which are disliked by moderate voters.

Figure 2. *The Game of Party Moderation.*
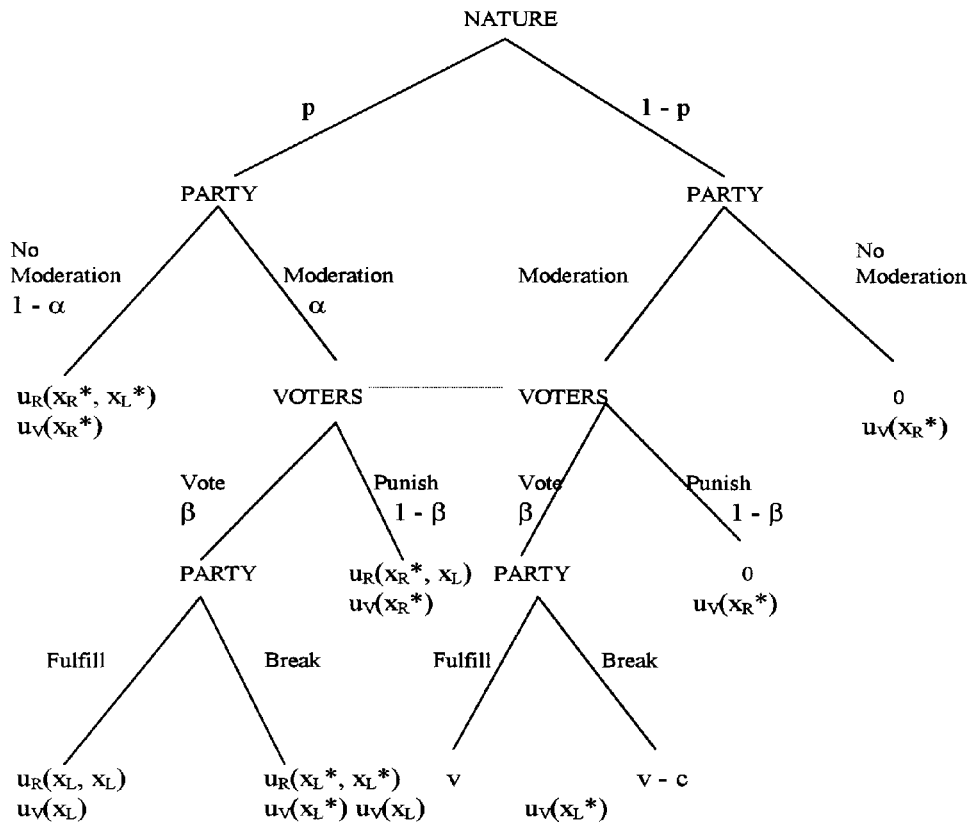
To define the payoffs of the game, we need first the utility function of the players. I start with the median voter. His utility function u_V is defined as

$$u_V(x) = - |x_M{}^* - x|$$

where x is any point in the space.

If the left party does not moderate, the median voter votes for the right party and gets the utility of the latter implementing policy $x_R{}^*$, $u_V(x_R{}^*)$. The payoff is the same if the left party moderates but the median voter does not believe it and votes for the incumbent. If the party moderates, the median voter votes for the party and the party fulfills its promise, the median voter gets $u_V(x_L)$, which is higher than $u_V(x_R{}^*)$. But if the party moderates, the party is elected and it breaks the promise, he only gets $u_V(x_L{}^*)$, the worst outcome. As can be easily deduced from Figure 1,

$$u_V(x_L) > u_V(x_R{}^*) > u_V(x_L{}^*)$$

The utility function of the radical has a more complex treatment. Radicals value policy and have ideological rigidity. They want both policy and party platform to be as close as possible to their ideal point $x_L{}^*$. They get utility both from actual policy and from the platform defended by their party:

$$u_R(x^{POL}, x^{PLA}) = -(1 - w) |x_L{}^* - x^{POL}| - (w) |x_L{}^* - x^{PLA}|$$

where x^{POL} stands for the actual policy, regardless of who makes it, and x^{PLA} stands for the platform of the left party. The weight w ($0 \leq w \leq 1$) measures the degree of radicalism, that is, the degree of ideological rigidity. The higher w, the more important the platform of the party. For simplicity, I will consider that radicals attach the same weight to the value of policy and platform. The possible combinations are: $(x_L{}^*, x_L{}^*)$, when the party is in government and carries out radical policies; (x_L, x_L), when the party is in government and carries out moderate

policies; (x_R^*, x_L), when the left party does moderate but does not win elections and policy is made by the right; and (x_R^*, x_L^*), when the incumbent is right-wing and the left party does not moderate.

If the party does not moderate, radicals obtain $u_R(x_R^*, x_L^*)$: there is no ideological loss and policy is made by the incumbent. If the party moderates but does not win elections, the utility is $u_R(x_R^*, x_L)$. If the party moderates, wins and fulfills the promise, the payoff is $u_R(x_L, x_L)$. Finally, if the party moderates, wins and breaks the promise, the utility is $u_R(x_L^*, x_L^*)$. It follows immediately that

$$u_R(x_L^*, x_L^*) > u_R(x_L, x_L) \text{ and } u_R(x_R^*, x_L^*) > u_R(x_R^*, x_L).$$

Finally, we have moderate party members. They are pure office-seekers. They derive utility from being in government. Therefore, moderates get 0 when the party does not win elections and v when they win and fulfill promises. If they win but break promises, they pay a cost c as a form of future electoral punishment such that $v - c > 0$.

To solve the game, I use backwards induction. In the last stage, the party reveals its type. If the party moderates, wins elections, and is dominated by radicals, the promise of moderation is broken. Breaking the promise is a dominant strategy for radicals, since $u_R(x_L^*, x_L^*) > u_R(x_L, x_L)$. If the party is dominated by moderates, and is in office, the promise of moderation is fulfilled. Again, for moderates fulfillment is a dominant strategy, since $v > v - c$. Knowing that the party will behave depending on who controls the party, the median voter has to decide whether it pays or not to vote for the party after observing moderation.

The following result is the Perfect Bayesian Equilibrium of the game:

If $p < u_V(x_R^*) - u_V(x_L) / u_V(x_L^*) - u_V(x_L)$, then the party, whether dominated by radicals or moderates, moderates, and the median voter votes for the party. If $p > u_V(x_R^*) - u_V(x_L) / u_V(x_L^*) - u_V(x_L)$, then the party moderates with probability 1 if it is dominated by moderates and with probability $\alpha = (1-p)(u_V(x_R^*) - u_V(x_L)) / p(u_V(x_L^*) -$

$u_V(x_R*))$ if it is dominated by radicals; the median voter votes for the party after observing moderation with probability $\beta = u_R(x_R*, x_L*) - u_R(x_R*, x_L) / u_R(x_L*, x_L*) - u_R(x_R*, x_L)$.

The median voter's expected value of voting for the party is $pu_V(x_L*) + (1-p)u_V(x_L)$. The expected value of punishing the party is $u_V(x_R*)$. The median voter votes for the party when the first quantity is greater than the second. Simple algebra shows that the median voter votes for the party if $p < u_V(x_R*) - u_V(x_L) / u_V(x_L*) - u_V(x_L)$. When this is the case, the median voter does not punish the party. But then the best reply of both radicals and moderates is to moderate. The equilibrium belief of the median voter is simply p. In the first stage of the game we have therefore a pooling equilibrium, for radicals and moderates choose the same strategy, moderation.

What this means is that if the probability of the party being dominated by radicals is low enough, voters will vote for the party whenever they observe moderation. The utility gain of having the most preferred policy (as compared to the incumbent policy) compensates the small risk of the party cheating once it is in the government.

Let us turn to the second case, when $p > u_V(x_R*) - u_V(x_L) / u_V(x_L*) - u_V(x_L)$. Now there is no equilibrium with pure strategies. Suppose first that the median voter votes for the party with probability 0. Radicals, then, never moderate. This implies that if the median voter observes moderation, moderation is due to moderates' control of the party. But then the best reply for the median voter is to vote for the party. Suppose instead that the median voter votes for the party with probability 1. This leads again to a contradiction, since voting is a better strategy than punishing only when $p < u_V(x_R*) - u_V(x_L) / u_V(x_L*) - u_V(x_L)$.

Without pure strategies, we have to resort to mixed strategies. For the median voter to play a mixed strategy, he must be indifferent between voting and punishing the party. He is indifferent when radicals moderate with probability $\alpha = (1-p)(u_V(x_R*) - u_V(x_L)) / p(u_V(x_L*) - u_V(x_R*))$. This is the only mixed strategy that generates a belief consistent with the equilibrium. If radicals play moderation with probability α, the posterior belief of the median

voter that he is facing a radical party after observing moderation will be $p\alpha /(p\alpha + (1-p)1)$, which equals $u_V(x_R^*) - u_V(x_L) / u_V(x_L^*) - u_V(x_L)$. Likewise, for radicals to use their mixed strategy, they must be indifferent between moderating and not moderating. This requires that the median voter votes with probability $\beta = u_R(x_R^*, x_L^*) - u_R(x_R^*, x_L) / u_R(x_L^*, x_L^*) - u_R(x_R^*, x_L)$.

This equilibrium with mixed strategies is semiseparating in the first stage of the game. If the party is dominated by moderates, the party moderates with probability 1. If the party is dominated by radicals, the party moderates with a lower probability, α. In the last stage, if the party wins elections, radicals make radical policies and moderates moderate ones, thus revealing their types.

Some interesting conclusions can be drawn if we turn to the comparative statics of the equilibrium for mixed strategies. I want to analyze the separate influence of three factors: the degree of moderation, the initial belief that the party is dominated by radicals, and the ideological distance between the two parties.

1. The degree of moderation. The degree of moderation is the distance between the original position of the party, x_L^*, and the new one, x_L. It follows from the equilibrium belief that the greater this distance, the more information moderation transmits about the nature of the party. The greater the moderation, the more confident the median voter is that the party is dominated by moderates. This is so because moderation is a costly signal for radicals, but not for moderates. Then, the greater the degree of moderation, the more likely that the median voter votes for the party after observing moderation. Given the mixed strategy β of the median voter, $\partial\beta/\partial x_L > 0$. Moderates, knowing this, will try to distinguish themselves from radicals by moderating as much as possible. They know that if *p* is high enough, radicals cannot fully imitate their behavior given the risk of being punished.

How is the value of x_L chosen given the original location at x_L^*? There is internal bargaining in the party between radicals and moderates. After an agreement is reached the party announces its new platform. The nature of this agreement depends on a variety of

factors which I will not model explicitly here. Yet, some speculation is possible. Numbers, of course, are crucial. The greater the number of moderates, the more bargaining power and the closer x_L will be to the median position. But bargaining power will be related to some other factors, like the organizational structure of the party, which can distort the relative weight of each of the factions or can fetter the implementation of the ideological changes.

Moreover, the threat of split will be crucial to determine the final agreement. A split can seriously damage the party. If moderates leave the party because moderation is too limited, it is evident for voters that the party is dominated by radicals, making an electoral victory very unlikely. If radicals leave, moderation is indeed fully credible, but it is not certain anymore that the trade-off between moderate and radical voters is favorable for the party. The formation of a new party on the left could preclude the winning of elections by the remaining moderates. And the withdrawal of radicals might fatally weaken the organizational resources needed to campaign.

As both radicals and moderates want to avoid splits, some degree of compromise will be achieved in most cases. It seems then reasonable to consider that the value of x_L will be the outcome of the internal bargaining between the two groups. Of course, in some cases the split is observed -for instance, when the Italian PCI decided to change into the PDS, giving rise to a new party, *Rifondazione Comunista*, formed by the radicals of the old communist party.

2. The initial belief about radicals' hegemony in the party. As noted before, the initial belief *p* about the dominance of radicals can be related to the previous record of the party. The idea is that the more radical the party has been in the past (the higher *p*), the more difficult for the party to moderate. If we look at the mixed strategy α of radicals, it is the case that $\partial\alpha/\partial p < 0$. Hence, the parties that to a greater extent have to moderate in order to win elections -the parties with radical ideologies- are those with greater difficulties to moderate.

3. Ideological distance between parties. If we hold constant some original position of the left party at x_L^*, it turns out that the more distant to the right the incumbent is, the greater the probability that the median voter punishes the left party after observing moderation. Given

the mixed strategy β of the median voter, $\partial\beta/\partial x_R^* < 0$. This result, which may seem counterintuitive, has an easy interpretation. The more radical the incumbent, the greater the temptation of moderation for radicals: the more far away the incumbent's policy is from radicals' ideal point, the more radicals suffer with regard to policy. Then, it is more likely that radicals try the strategy of moderation. The median voter, aware of this incentive, will become more skeptical when he observes moderation. Actually, it is clear in the equilibrium belief that the more to the right the incumbent, the higher the subsequent probability that the party is dominated by radicals after observing moderation.

3. Some empirical illustrations of party moderation.

Party moderation is mainly observed after electoral defeats (Janda et al. 1995). Bad electoral results show that the strategy followed is inadequate, regardless of the dominant preferences in the party. Winning elections, either through "electoralism" (the moderates' way) or through persuasion and indoctrination of the masses (the radicals' way), is the final goal of parties in the democratic contest. Under the strains of failure, some parties decide to moderate, assuming therefore that their stalemate is due to their incapacity to attract moderate voters.

Electoral stagnation can be easily detected before some of the most outstanding examples of party moderation. Electoral results before and after moderation are shown for some parties in Table 1. In the case of the German SPD, the necessity of becoming a *Volkspartei* instead of a class-oriented party was clear for the new generation of party members given the poor results in the first three general elections after the Second World War in 1949 (29.2%), 1953 (28.8%) and 1957 (31.8%). After the extraordinary Congress of Bad Godesberg in 1959 where the party stops defining itself as Marxist, the electoral record improves in the 1961 elections (36.2%) and still more in 1966 (39.3%), when the SPD starts to govern in a grand coalition with the Christian Democrats. Likewise, the Spanish PSOE jettisons Marxism because of the bad results of the 1979 general elections (30.5% compared

to 29.3% in 1977). Three years later the party obtains an impressive electoral victory (48.4%)[3].

Table 1. *Electoral results of four parties in three elections before and after moderation.*

	Before Moderation			After Moderation		
SPD	29.2%	28.8%	31.8%	36.2%	39.3%	42.7%
	(1949)	(1953)	(1957)	(1961)	(1965)	(1969)
PSOE	---	29.3%	30.5%	48.4%	44.1%	39.6%
		(1977)	(1979)	(1982)	(1986)	(1989)
Labour Party	39.2%	36.9%	27.6%	30.8%	34.4%	43.2%
	(1974)	(1979)	(1983)	(1987)	(1992)	(1997)
PCI-PDS	30.4%	29.9%	26.6%	16.1%	20.3%	21.1%
	(1979)	(1983)	(1987)	(1992)	(1994)	(1996)

Source: www-public.rz.uni-duesseldorf.de/~nordsview

Moderation was triggered in the Labour party by the disastrous 1983 elections (27.6% of the vote). Labour had adopted a highly radical program that led to a loss of 9.3 percentage points if compared with the 1979 elections, when the Conservatives won the elections. The party moderates in a gradual fashion that culminates with the rejection of the historical Clause Four in 1995. Two years later the party returns to power. Though the transformation of the Italian PCI into the PDS is certainly linked to the fall of the Berlin Wall in 1989, it is also true that the party was losing votes since 1976, when the party got 34.4% of the vote. In the 1987 elections, the results were quite disappointing, 26.6%, whereas the PSI obtained its best electoral record until then, 14.3%. Though the electoral record after moderation is even worse (around one third of the traditional communist vote went to *Rifondazione Comunista*, formed by the former orthodox Communist faction in the PCI), the party gets into office in 1996, leading a wide coalition of political forces.

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[3] I do not want to suggest that this spectacular increase was only due to moderation. Moderation was, without any doubt, important, but the collapse of the incumbent party was also decisive.

In all these four parties the issue of previous radicalism was raised to explain electoral defeat. During the 1950s, a growing number of German socialists became aware that the party was unable to convince moderate voters about its commitment to the Federal institutions and the market economy. The load of Marxism and the strong nationalism of the first post-war leader, Kurt Schumacher, someone still associated with Weimar politics and strongly opposed to the division of Germany, did not reassure voters about the true nature of the party. Already in 1952 a commission was formed to revise the party's official ideological line. The fact that this commission needed seven years to finish its job showed the internal resistance in the party against a deep revision of its fundamental principles (Parness 1991: 64). The first open discussion of the commission's proposals took place in the Stuttgart Conference in 1958. The retreat of the state from the economy was accepted by the party without much problem[4]. Moreover, moderates improved their position in the party at the expense of traditional bureaucrats and ideological radicals. The final document containing the new line of the party, which abandons class-strategy in favor of a people's party, was approved by an overwhelming majority in the extraordinary Conference in Bad Godesberg in November 1959.

The new spirit of the party was evident in its definition of democratic socialism where, instead of Marxism, we find Christian ethics, humanism and classical philosophy. Socialism without Marxism required Kantian roots in which the individual was the cornerstone. The commitment to democracy was equally relevant in the program: "Democracy must become the universal form of state organization and way of life because it is founded on respect for the dignity of man and his individual responsibility." In economic policy, the state was to preserve free competition. All this represented, briefly put, the content of the moderation signal sent by the party.

Thanks to the strategy of moderation, the SPD convinced enough voters of its "responsibility". The uncertainty about the policies of a possible socialist government was greatly reduced: "Godesberg was, more than anything else, an effort to convince West German voters of the SPD's dedication to the Federal Republic's established postwar

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[4] Nonetheless, the famous slogan "competition wherever possible, planning wherever necessary" had already been adopted in 1954 (Miller and Pothoff 1986: 166). This slogan appears again in the Bad Godesberg

political course" (Parness 1986: 49). The party understood well the difficulty of making credible the moderation. After Godesberg, an SPD official publication referred to the danger of moderation being taken by voters as a "piece of electoral claptrap" (quoted in Miller and Potthoff 1986: 181). Hence the necessity of insisting constantly on the strategy of moderation after 1959.

The Spanish PSOE went through a remarkably similar process to that of Bad Godesberg. After Franco's death in 1975, the party, not legalized yet, celebrated its XXVII Congress in Spain after several decades in exile. The Congress, held at the end of 1976, was dominated by radicalism. For the first time in its long history, the party defined itself as a Marxist mass party. Socialdemocracy was harshly criticized. The radical rhetoric did not extend to the electoral platform presented for the first general elections in 1977, where the advancement and reinforcement of democracy constituted the main objective, nor to the opposition to the conservative government, given the party's involvement in the then so-called "consensus politics". This schizophrenia was not alien to the history of the party (Maravall 1991; Juliá 1997). Under the initial uncertainty about its relative power in the new democracy, the ideological schizophrenia was reflected in the simultaneous attempt to appear as a responsible party, prepared for government, and to appeal to leftist voters in order to marginalize the Communist Party.

The first elections, in 1977, showed that the PSOE was the first party on the left. However, two years later, in the 1979 elections, the party obtained almost the same results despite the fact that in 1978 the Popular Socialist Party, a small party with a vote share of around 5%, had integrated into the PSOE. The issue of the PSOE's radicalism was crucial in the electoral campaign of 1979 (Share 1987: 94). Two days before the polls, the Prime Minister, Adolfo Suarez, gave a speech on television pointing out the danger of choosing a party that defended ideas against the Western life style (Juliá 1977: 526). The PSOE concluded that it had to abandon the ambiguities of the past. Moderate voters did not trust enough in a party that even if it had shown signs of moderation in the transition, "it could

programme.

resort to radical measures which were still considered valid in the ideological discourse" (Juliá 1997: 518).

To attract moderate voters, the General Secretary, Felipe González, launched the idea of abandoning Marxism. This proposal was discussed in the 1979 XXVIII Congress but, surprisingly, an amendment against the rejection of Marxism obtained 61% support among delegates. González resigned. To overcome the crisis, an extraordinary Congress was celebrated after the summer. Now, the rejection of Marxism passed smoothly and González was regained for the party. The reason was that in the XXVIII Congress some organizational reforms were approved in order to centralize decision-making procedures (see Maravall 1991: 14-15). Radicals, who represented around 40% of party members, only obtained a 10% representation in the extraordinary Congress (Gillespie 1988: 354). This organizational attack against radicals was decisive in consolidating the new moderate image of the party. According to some estimates, 20% of the vote for the incumbent in 1979 changed to the PSOE in the 1982 elections, the first ones after moderation (Puhle 1986: 295).

Moderation was relatively easy to achieve in the case of the SPD and the PSOE because the two parties possessed strong organizations. Thus, once moderates had full control of the party, they did not face many obstacles to carry out their moderation strategy. The case of the Labour Party is interesting given its weak institutionalization. In this sort of party, voters are less certain about who has control of the organization. Following the historical account of Richards (1997), the period 1979-1983 can be characterized by the dominion of radicals. In ideological matters, this meant proposals for withdrawal from the European Community, unilateral nuclear disarmament and more intervention of the state in the economy. As mentioned before, the radicalization strategy produced a traumatic electoral defeat. A survey held in 1981 shows that 69% declared that the party was "moving too much to the left" (Richards 1997: 20). Voters punished radicalism, but also divisions within the party.

In the 1983-1987 period several organizational reforms were undertaken in order to overcome internal quarrels and to reduce the power of local activists, although no outstanding

ideological change was approved. Consequently, the image of the party did not vary much during these years. Once the power of radicals was curbed, the party started in 1987 the Policy Review, an ambitious program of ideological moderation. Unilateral disarmament disappears and the role of the state in the economy is reassessed. Thus, whereas in 1983 and again in 1987 around 50% of the people asked in surveys said that the party was extreme, this percentage goes down to 29% in 1992 (Heath and Jowell 1994: 202). Heath and Jowell, analyzing a panel survey carried out in 1987 and 1992, report that the 4.4 point gain in 1992 can be accounted for to a great extent by the direct and indirect effects of Labour's moderation strategy. Of these 4.4 points, almost 3.5 seem to be due to the Policy Review. Moderation reached its peak with the deletion of Clause Four in 1995. Tony Blair's initiative did not encounter much resistance, proving to moderate voters that moderates had full control of the party (Richards 1997: 33).

While socialist parties more or less succeeded in their strategy of moderation, West European communist parties failed miserably. The expectations raised in the left by the Eurocommunist movement in the 1970s were soon disappointed. We have to take into account that the initial value of p was very high and, likewise, that $x_L{*}$ was really distant from the median. Besides, except in the case of Italy, socialist parties, which had greater electoral support than communists, were an obstacle to any movement towards the center. Given these unfavorable conditions, the amount of moderation was not enough to dispel the fears of moderate voters. Although this is a complex issue that goes beyond this paper, the feasible degree of moderation was severely constrained for the communist movement.

Basically, the point is that communist parties could only moderate credibly at the price of breaking all ties with the Soviet Union. Breaking with the Soviet Union was not a suitable option simply because what distinguished communist parties from socialist ones was an ultimate relationship with the October Revolution (Claudín 1983: 319; Ignazi 1992: 66-67). Italian, Spanish or French communists criticized the Soviet Union for partial aspects, but never rejected the whole model. In exchange, these parties, particularly the PCI and the PCE, tried to compensate by moderating in all other thinkable aspects. The PCI embraced NATO.

The PCE accepted the Monarchy in the Spanish Constitution with less resistance than its direct competitor, the PSOE.

In the "historical compromise" of 1976-1979, the PCI supported the Christian Democrat government without receiving any portfolio. This support, sometimes, meant the alienation of its followers, as was the case in the two referendums held in 1977, where communist voters rebelled against the instructions of the party (see Hellman 1978). Moreover, the PCI gave ideological coverage for the adjustment policies carried out by the government. Enrico Berlinguer, the General Secretary, wrote a little book on the value of "austerity" as a solution to the crisis of capitalism, trying to convince workers of the virtues of economic adjustment. Austerity provided the chance of developing a life not based on consumerism. The consequence of the experiment was not too positive: a loss of 4 percentage points in the elections of 1979.

The PCE sought desperately some way of convincing voters of its sincere commitment to democracy, but without breaking its link with the Soviet Union. It tried to surpass the PSOE in its moderation, avoiding criticism of the conservative government and accusing the socialists of being an irresponsible opposition. The PCE adopted, if I may resort to an oxymoron, a strategy of "extreme moderation". After the disappointing results of the 1977 elections (9.3%), the party considered that it had not shown itself moderate enough. The General Secretary proposed to reject Leninism as the unique identity of the party. In the IX Congress, held in 1978, the 15th thesis, where the party is defined as a "Marxist party, democratic and revolutionary", was approved with 968 votes in favor, 254 against and 40 abstentions. However, right after the approval, delegates stood up and acclaimed the name of Lenin for several minutes (*Mundo Obrero*, 23 April 1978). Unlike other cases of moderation, there were no visible organizational changes or personnel renewal. The fact is that the PCE was at a disadvantage trying to compete with the PSOE for the moderate voters. The combination of extreme moderation in policies and the maintenance of its historical and constitutive links with the October Revolution was an inconsistent mix for the electorate. The party was not credible. In the 1979 elections, the gain (1.5 percentage points) was not

balanced by the ideological sacrifices. The party entered into a phase of internal crisis and almost disappeared in the 1982 elections.

The Soviet constraint on moderation became evident after the fall of the Berlin wall. Only a few days later, liberated from this constraint, Achille Ochetto, the General Secretary of the PCI, proposed a change in the name and nature of the party. Ochetto openly confessed that the party had been dependent on the existence of the Soviet Union in his speech in Rome on November 20th (reproduced in *L'Unità* 1990; see also Ochetto 1990: 252). With communism over, the PCI had the chance of emancipating itself from its past. The process culminated in the XX Congress in 1991, when the party became the PDS, though already in the XIX Congress in 1990 the decision to evolve into a socialdemocratic party was made. Despite the split of *Rifondazione Comunista*, the metamorphosis was successful because of the weakness of the socialist party, the PSI. With a stronger competitor, the PCI could have found itself in the same traps as those of the PCE. The fact is that moderation meant for the PCI ceasing to be communist. Credibility was attained at the cost of renouncing its very identity.

What we find in all these examples is (i) a party which has been radical in the past; (ii) that obtains poor results in elections; (iii) that decides to moderate; and (iv) that moderates in the party try to moderate more than radicals would be ready to accept in order to show voters that the party is under the control of moderates. Party members understand there is a problem of credibility and therefore the party sends signals that are costly to radicals: formal and public renunciation of basic ideological principles, something which causes a loss for radicals. Quite often, as we have seen, the process of ideological conversion is accompanied by organizational changes that increase the power of moderates within the party.

4. Conclusions.

The process of party moderation raises some fundamental questions about the preferences of politicians, the non-unitary nature of parties as political actors, and the credibility of ideological change. Moderation is a problem because voters may have doubts about the true intentions of the party. Is moderation only an electoral trick? Or has the party convinced itself of the uselessness of its past radicalism? Voters try to answer using several clues: the degree of moderation, the past record of the party, and the ideological distance between competing parties. The model shows that (i) the greater the degree of moderation, (ii) the less radical the party has been in the past, and (iii) the less ideological distance between parties, the more likely that moderate voters vote for the party which moderates.

The explicit renunciation of ideological commitments that we witness in some party congresses constitutes a costly signal for radical party members. Although radicals have the incentive of imitating the behavior of moderates, they run a risk. If the party moderates but does not win elections, radicals suffer a loss: radicals do not care only about policy in the abstract, as is assumed by most models of policy-oriented politicians, but also about the ideological line of their party.

Even if moderates in the party cannot fully distinguish themselves from radicals, given the incentive of radicals to imitate moderates, moderates try to jettison as much ideological weight as they can in order to convince voters of the party's sincerity, thus minimizing the probability of being punished by moderate voters. The tension over the degree of moderation explains the fights that are observed in parties when they try to move to the center.

Despite its limitations, the game-theoretical model shows that the complex issue of party change is amenable to formal treatment. In this paper I have examined one important dimension of this issue: the credibility problems that are produced by the ideological transformation of parties.

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