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The 'genetic' effect: can parties' past organizational choices condition the development of their internal distribution of power in the cartel party era? Evidence from Finland 1983-2017

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ABSTRACT This study critically assesses the claim of the cartel party theory that the party in central office (PCO) has lost its powers to the party in public office (PPO) as parties have adapted to various changes in their operating 'environment'. The paper argues that the tendency to adapt is conditioned by parties' 'genetic' heritage: if a PCO assumed a prominent position during the party's maturation, it will more likely withstand external pressures compared to a PCO that has been traditionally weak. The study compares the development (1983-2017) of two Finnish parties, which hail from polar 'genetic' traditions: a social democratic mass party and a conservative cadre party. The change of the party 'environment' has strongly supported PCOs' decay. Unlike earlier longitudinal studies on intra-party power, the study assesses party change in all significant power dimensions, and finds a contradictory development: while the distribution of leadership positions and resources increasingly favor the PPO in both parties, significant 'genetic' differences in the distribution of formal decision-making power have not diminished at all. If statutory regulations matter, the results suggest that the PPO cannot 'insulate' like the cartel model expects in parties where the PCO's strong role has been strictly codified.

1. INTRODUCTION

This study critically assesses the claim of Katz and Mair's (1995; 2002; 2009; 2018) cartel party theory that during the last quarter of the 20th century extra-parliamentary parties' central decision-making and administrative organs, i.e. the party in central office (PCO), considerably weakened *vis-à-vis* party in public office (PPO, i.e. MPs and ministers), as party organizations adapted to citizens' declining societal engagement, the emergence of public party subsidies and the birth of a fast-paced, 'governmentalized', internationalized and media-driven style of politics. According to the thesis, parties in advanced democracies should now be largely dominated by and work for the public 'face' of the party.

As a theory, the cartel model has enjoyed popularity (not universal, though, see Koole, 1996 and Kitschelt, 2000), but the evidence leaves doubts. Following Katz and Mair (1993), quantitative cross-temporal studies have attempted to establish PPO's growing dominance through relative changes in PPOs' and PCOs' control of resources, leadership positions and statutory prerogatives. The early studies on resources found that in vast number of democracies parliamentary parties' finances and staff increased fast between the 1960s and early 1990s. The same studies, however, detected a coincidental, albeit slower, strengthening of central party offices that often continued to be larger. (Mair, 1994; Heidar and Koole, 2000; Krouwel, 2012.) A recent comparative study shows that PPOs' resources grew even faster between 1990 and 2010, but the change was not accompanied by a major decline of central party offices (Bardi et al., 2017). Overall, however, parliamentary parties' resources have increased significantly during the past decades, strengthening the PPO.

Another method has focused on the occupation of parties' leadership positions. Early studies suggested that MPs' presence in parties' national executive organs increased slightly between 1960s and early 1990s, reflecting the strengthening of the PPO (Katz and Mair, 1993; 2002). However, a more recent study – which also covers the 1990s, on a smaller sample of cases – showed instead that activists, not public office holders, had gained more prominence in several European countries' national party executives (Detterbeck, 2005).

Finally, changes in party elites' strengths have been assessed through party statutes. An early comparative study found that in 1990 leftist parties still favoured extra-parliamentary organizations and that parties' internal formal power balances had not changed much since the 1950s (Gibson and Harmel, 1998). While an aggregated country-level comparison suggested that mid-level elites are weakening in candidate and leadership selection (Scarrow et al., 2002), a recent comprehensive study showed that in regard to PCO/PPO power balance, the statutes of Danish parties did not change almost at all between the 1950s and the first decade of the 2000s, and instead they continued to reflect the origins and ideologies of the parties (Pedersen, 2010). Recent qualitative case-oriented research, too, has suggested that despite external pressures, the intra-party power balance might still vary across parties (Passarelli, 2015; Enroth and Hagevi, 2018). In one major social democratic party, in Sweden, the PCO even appears to have strengthened between the 1960s and 1990s (Loxbo, 2013).

The evidence is mixed. The uncertainty over “the ascendancy of the party in public office” stems, in part, from eclectic methodological choices. As the studies have tended to observe only certain power dimensions, we do not know, for

example, do changes in party resources always come with similar changes in leadership positions and statutory regulations – or do the latter remain stable. It seems possible that the change mostly concerns one specific power dimension, the (public) party resources. If so, the cartel thesis demands a re-interpretation, as it suggests a more comprehensive change in intra-party power balance.

This study analyzes changes in PCO/PPO power balance in Finland during a period when parties' operating 'environment' changed rapidly from mass to cartel party era (1983-2017). Aside providing a timely update for the scant cross-temporal empirical information on intra-party power transitions, the study contributes to the debates on the cartel party by assessing simultaneously all measures of intra-party power (resources, leadership positions and statutory power). Through a robust set of measures, the study provides a more comprehensive picture of the alleged changes in intra-party power balance, and a much-needed methodological benchmark for comparative research.

Theoretically, the study challenges the cartel model's generalizing logic by emphasizing potential for ongoing inter-party differences, which despite few recent efforts (Pedersen, 2010; Passarelli, 2015; Gauja, 2017) have been neglected in favour of general models and tendencies (Heidar and Saglie, 2003). The study acknowledges that instead of uniform adaptation and convergence, parties may react differently to external pressures according to their origins (Duverger, 1967), institutionalized structures and practices (Panebianco, 1988) and primary goals (Harmel and Janda, 1994) (here colloquially referred to as party 'genetics'). The paper pays special attention to the historical status and role of the PCO, arguing that if it developed a prominent position during a party's

genesis and institutionalization, it will more likely remain strong under cartelizing pressures compared to a PCO, which has traditionally been weak.

The paper asks: do parties where PCOs' role has varied react differently, in redistributing organizational power resources (money, staff, leadership positions, statutory power), when the parties face similar (cartelizing) external pressures – and to what extent? Do their internal power distributions continue to differ?

To address the questions, the paper compares the development (1983-2017) of two parties: The Social Democratic Party of Finland, SDP, that hails from PCO-dominated mass party heritage and The National Coalition Party, NCP, which hails from PPO-dominated cadre party tradition. The parties' formation and evolution strongly reflects the historical party models, and they differed in terms of internal power distribution still at the beginning of the research period (Borg, 1982; Mickelsson, 1999), which marked the height of the mass party era in Finland (Mickelsson, 2007). Since the turn of the 1980s, the pressures that according to cartel party theory should diminish PCO's powers have strengthened very rapidly in Finland. Thus it provides a good 'laboratory' for testing with robust measures if and to what extent party 'genetics' condition party organizational development in the cartel party era.

The next section presents the study's theoretical framework, asking why the cartel party theory expects the PCO to lose its powers, and how party 'genetics' might condition the effect. The third section introduces the studied cases by describing the parties' formative organizational choices and development until the early 1980s, and the change of the party 'environment' since early 1980s. Section four describes the study's dependent variable, methods and data sources.

To facilitate comparison, the study employs indicators that reflect the traditional dimensions of PCO/PPO power distribution (Katz and Mair, 1993). The fifth section assesses the parties' organizational responses in 1983-2017.

The paper concludes with a discussion of the results, which help to explain the contradictory findings of the earlier studies. The multi-indicator analysis reveals that in Finland party resources and leadership positions increasingly favour the PPO, but 'genetic' differences in formal decision-making power, which are significant, have not diminished at all. The contradiction reminds of Koole (1996) and Kitschelt's (2000) critical reservations over cartel model's claim on the 'insulation' of the PPO. If statutory regulations matter, it seems that in some parties the PPO cannot 'insulate' from the PCO unless the PCO relegates itself.

2. THE CHANGE AND PERSISTENCE OF INTRA-PARTY POWER DISTRIBUTION

2.1. Why should the PCO lose its powers?

The party in central office (PCO) refers to extra-parliamentary party organizations' (EPO) main national-level decision-making organs, which include the party leadership and ancillary members from subnational parties and affiliate organizations, and the central party office. The PCO's power stems from its resources and coordination role (campaigning, communications, etc.), and its formally recognized status as the party's highest decision-making unit. Party in public office (PPO) is the group that represent parties through elections: MPs, ministers and their support teams. It manages state affairs and it is more visible, but campaigning and intra-party decisions (candidate selection, etc.) tie it to the

PCO (Katz and Mair, 1993). Intra-party power distribution refers to how important organizational power resources are distributed between 'the offices'.

Cartel party thesis' logic leans onto environmental adaptation theory. According to it, parties' social, political and technological operating 'environment' is the main driver of parties' organizational choices, as it sets the context for inter-party competition. Parties' internal distribution of resources changes as they attempt to remain competitive in the face of 'environmental' pressures (Harmel, 2002). Due to this logic, generalized party models expect all parties that operate in the same 'environment' to adapt in a relatively similar fashion and converge towards the dominant model (Heidar and Saglie, 2003).

Five 'environmental' changes have pushed parties to mould their practices, structures and resources in ways that weaken the PCO (Katz and Mair, 1995; 2002; 2009; 2018). First, the erosion of social classes and the weakening of mass political engagement, including party membership, should decrease party activists' attentiveness and legitimacy in intra-party decision-making. Due to the weakening of class-based representation, party activists' claim over intra-party decisions eroded while MPs' reach for general electorates became more supported in intra-party practices. Second, public party subsidies provided for the PPO resources that are independent of the party membership, which the PCO represents. In addition to subsidies' sheer financial significance, their public source weakened PCOs' power that stemmed from the coordination of parties' material resources (collection of membership fees, etc.).

Third, the increasing complexity of politics and its 'governmentalization' has weakened the significance of intra-party policy processes. As general public

concerns and administrative problems superseded class-based representation, activist-driven preference formation lost relevance. The designing of political agendas moved from party offices to public domains, and party activists' capacity to monitor public officials, whose job assumed a more reactive role, weakened. Fourth, internationalization of politics also pushed PPOs further from intra-party arenas, and weakened activist-driven policy input and monitoring. The fifth change, mediatization of politics, weakened party activists' control over intra-party communications and increased PPOs' prestige and legitimacy. The pace of new media politics also decreased PCO's potential to oversee PPO's conduct.

2.2. How party 'genetics' can condition parties' organizational adaptation?

Intuitively, adaptive dynamics make sense, as competitiveness is a crucial instinct for parties' survival. However, while party models highlight change and convergence, parties rarely form or develop in uniform manner (Gunther and Diamond, 2003; Heidar and Saglie, 2003). According to a traditional notion, parties are 'conservative': they favour their existing structures and thus changing a party organization is hard. At least three factors have been associated to parties' organizational 'stickiness': parties' origin (Duverger, 1967), the institutionalization of party structures and practices (Panebianco, 1988) and parties' primary goals (Harmel and Janda, 1994). While analytically distinct, the factors are temporally and thematically interrelated.

In the opening pages of his seminal volume, Maurice Duverger (1967: xxiii) declared that, '[J]ust as men bear all their lives the mark of their childhood, so parties are profoundly influenced by their origins'. For Duverger, the most important factor for the development of PCO/PPO power relationship was the

nature and locus of the elite that formed the extra-parliamentary organization. When it was formed *internally*, by established parliamentary elites (i.e. the PPO), the PCO assumed a role of a weak electoral campaign organization with no political significance, led by MPs and few upper class based activists that worked for personal spoils. This is the ideal-typical formation of the *cadre party model*. When newly enfranchised groups (workers, farmers, etc.) built their parties, typically the extra-parliamentary organization emerged before the PPO. In *externally* formed parties, the rapid influx of activists, the enlargement of party bureaucracy and the more permanent and comprehensive operating ethos that reached far beyond campaigning produced an 'external oligarchy', a powerful activist-driven leadership at the PCO. It claimed to represent the membership and asserted its power over the PPO through financial and campaign-related measures, and by formalizing decision-making procedures. This is the ideal-typical formation of the *mass party model*. Aside different birth logics (electoral competition vs. representation of class interest) and social compositions (established upper class vs. emerging underclass), the founding party models also differ in terms of democratic sentiment. As mass party's elite legitimized itself through membership, not established class position, intra-party democracy (via representation by the PCO) developed into a foundational organizational principle. (Duverger 1967: 182–185, 190–197.)

Most party types that formed in advanced democracies during the 20th century reflected large, complex and activist-driven or 'thin' and electorally oriented organizational models (Gunther and Diamond, 2003; Krouwel, 2006). Pure cadre and mass parties obviously no longer exist, but if party's origin can still affect the

power balance between the PCO and PPO, as has been suggested (Pedersen, 2010), the distinction between parties that formed along these foundational models is an obvious place to seek differences. It is not, of course, the only significant distinction. Newer parties like the grassroots-leaning 'new politics' parties or charismatic leader-centric populist parties also formed around distinct organizational ideals.

Perhaps even more important factor for 'genetically' induced resistance potential is the mechanism that 'locks in' the formative choices. Panebianco (1988: 6–9, 16–59, 245–246), who also considered formative choices to be the most important factors for party organizations' development, explained 'lock in' dynamic through a process of institutionalization. After a party is formed, the preservation of its organizational order becomes the leadership's main objective. This 'dominant coalition', which controls most important organizational resources, sets 'contracts' among the leadership (horizontally) and between the leaders and the core activists (vertically) to stabilize the organization. The 'contracts' consolidate incentives, which now reach beyond ideological matters to material and career-related spoils, which develop as the organization matures. As organizational reforms threaten existing distribution of resources, they raise resistance. This is why party organizations tend to perpetuate in the form into which they have institutionalized into. While minor adjustments happen all the time, only a coincidence of major external shock and internal turmoil can alter party organization's power structure.

However, Panebianco (1988, 58–59, 173, 261) acknowledged that, the level of institutionalization varies between party types and therefore some parties are

always more prone to change. Parties with rigid, strictly and formally structured central bureaucracies tend to be more strongly institutionalized. Here, the PCO has potential to dominate the PPO, but in weakly institutionalized parties, the PPO tends to dominate, as the PCO possess no counterweight. Panebianco's formulations contour Duverger's models, adding clearer reasons for the persistence of the formative organizational choices.

Finally, Harmel and Janda (1994) connected parties' propensity to change (and resist change) to their primary goals. They concurred that party reforms (organizational or political) 'face a wall of resistance', because they consume resources and undermine the 'dominant coalition'. However, change may occur if external pressure (for them, an abrupt shock) challenges party's primary goal (maximization of votes, offices, intraparty democracy or policies). If for example a party that is primarily concerned with winning elections faces major electoral defeat, its leadership receives both a reason and legitimacy to push for a reform, which enhances the party's capacity to win elections. A 'dominant coalition' can propose a change if it reinforces its power position or advances the party's primary goal. Because parties have different primary goals, their reactions to external changes should differ. What motivates the leaders of a vote-seeking party might not do much for the leadership of a party, which values intra-party democracy more, for example. There, a successful reform requires pressures that somehow threaten the members' ability to influence the party's decisions.

Harmel and Janda (1994) did not explain where parties' primary goals come from and which type of parties adhere to specific goals. They did however mention few revealing examples. The British Conservative party is 'undeniably

an electorally motivated party' while the German SPD has 'mixed primary goal (encompassing both electoral and membership concerns)' (Harmel and Janda, 1994: 283). As the former is a quintessential exemplary of a party with cadre party heritage and the latter an archetypical descendant of mass party model, vote maximizing seems to connect to cadre parties while mass parties also (though not exclusively) stress intraparty democracy. This reminds of Duverger's notions of party types' original tasks (elections vs. representation) and 'innate' democratic sentiment.

If these factors and dynamics still matter, the pressures of the cartel model were met by parties with different 'genetic' setups, with varying responses. In parties of cadre party origin, the PCO assumed a role of a campaign organization with no political significance. These parties adopted a strongly vote-seeking ethos. While 'contagion from the left' and the 'golden age' of mass parties strengthened cadre parties' PCOs, too (Katz and Mair, 2002: 120–121), the 'golden age' lasted only two decades (roughly 1945-1965) and during it the adherence to mass party ideals was often merely rhetorical (Scarrow, 2015: 36–37, 67). If the PCO's were not institutionalized during this era, PPO dominance could have persisted over it – and get stronger again in the era that followed (the 'contagion from the right', Epstein, 1967). Among other things, the cartel thesis highlights increasing voter volatility, the dominance of public money that is usually based on election results and media-centeredness, and for survival urges parties to transform into professionalized 'media agencies' with limited operations outside of the electoral or public arenas. This 'environmental' change presents a threat especially to parties whose primary goal is vote maximization, and a reason to reform. For

these reasons, (H1) these parties likely entered the cartel party era with a power balance that still favoured the PPO, (H2) adapted to the pressures swiftly, and (H3) continue to emphasize the status of the PPO.

Parties that evolved according to the mass party model appointed for the PCO a strong political and democratically representative role, and the 'golden age' likely reinforced it. When the public office dominated era began (after the 1960s), these parties' PCOs were likely at the height of their powers and thus possessed great resistance potential against reform minded leaders. The pressures towards 'electoral-professionalism' have posed a different kind of threat to parties of mass party origin, because they also value intra-party democracy, which 'electoral-professionalism' tends to de-value. Instead of unreservedly endorsing the 'media agency' model, these parties are also incentivized to take care of their PCOs, the main organizational manifestations of their democratic spirit. For these reasons, these parties (H4) likely entered the cartel party era in a form that still favoured the PCO, (H5) adapted much slower (if at all), and (H6) continue to appoint more power to the PCO.

3. THE PARTY CASES AND THE CHANGING PARTY 'ENVIRONMENT'

The studied parties were formed and institutionalized much like ideal typical cadre and mass parties. The National Coalition Party (NCP), the cadre party case, was formed in 1918 as a merger of two upper middle class cadre parties that descended directly from late 1800s diet factions; upper class clubs that naturally had no need for extra-parliamentary organs. The merger's majority partner, the Finnish Party, set up a pyramid-like three-tier organization (local, regional, national) in 1905, right before the 1906 parliamentary reform, which introduced

universal suffrage and the first general elections (1907). However, the party continued to emphasize the autonomy of its parliamentary group while local branches, consisting of a few hundred passive members, operated only during elections. Until the 1950s, the 'professor-statesman-leaders' party was a combination of an independent PPG and a temporarily operating, loosely structured campaign network with no significant PCO. During post-war era's mass-organizing trend the NCP formalized and expanded, too. The party's defining characteristics, passive membership and dominant PPG persisted however until the 1960s, as the newfound PCO remained weak. In the late 1960s, an elite that matured during the 'golden age' strengthened the PCO, but the party's central characteristics, especially the high regard for the PPG, were still clearly visible in the 1970s. (Borg, 1982; Leino-Kaukiainen, 1994; Mickelsson, 1999; 2007; Vares, 2008).

The Social Democratic Party of Finland (SDP), formed in 1899, developed a strong stratified mass organization well before the first general elections (1907). In 1906 it already boasted 80,000 members and 1,000 local branches, making it the largest social democratic party in the world relative to the size of the electorate. Since the first decade of the century, the party's MPs were viewed as delegates of the party, only furthering the party's programmatic objectives under activists' rigorous monitoring. From the early 1910s to the turn of the 1930s, PPG's annual reports were thoroughly inspected by the EPO organs and always submitted to a vote after heated debates. Until the mid-1900s, they continued to attract serious attention. After the wars the party assumed a more electoral outlook, providing more autonomy for the PPG. Nonetheless, still in the 1970s

delegation-based intra-party representation was considered the party's fundamental norm and PCOs' primacy vis-à-vis the PPG was never questioned (Borg, 1982; Mickelsson, 1999; 2007; Soikkanen, 1975).

While the pre-1980s societal developments supported mass party ideals, the later developments, which strongly reflect the cartel theses' characterizations, have pushed towards opposite direction, urging parties to change. Since the 1970s, Finland has experienced a more dramatic socio-demographical change than any other European country (Karvonen, 2014) and the change has reflected in citizens' political activity. Average turnout has decreased by 15%, volatility has increased rapidly (Drummond, 2006) and party memberships have almost halved (van Biezen et al., 2012). While turnout and party membership are still, on average, higher than in most European countries, the decrease has been significant. Meanwhile, the parties have become almost entirely funded by public subsidies. Already by the turn of the millennium Finnish parties were the most dependent on public subsidies in the world (Pierre et al., 2000) and financially independent from their members (Sundberg, 2003). As subsidies are allocated according to parties' electoral fortunes, vote-seeking logic has become highly emphasized.

Due to parties' high dependence on public subsidies and extremely flexible coalitional practice that has enhanced the 'governmentalization' of Finnish politics since the 1980s, Katz and Mair (1995: 17) considered Finland to be one of the most likely cases to adapt to the cartel party model. The rapid mediatization of politics, which began in the early 1980s along with the decay of party press and the swift commercialization of the national media (Herkman,

2011), has also contributed to the ‘presidentialization’ of Finnish politics (Paloheimo, 2005) and highlighted the position of parties’ public officials (Mickelsson, 2007).

Two ‘environmental’ changes make Finnish parties’ recent history unique in relation to the cartel party theory. Rare constitutional reform, which between the early 1980s and 2000 turned a president-centred semi-presidential regime into a parliamentary one, strongly enhanced the role of the parliament and parliamentary party groups in an era that in other parts of Europe was characterized by ‘de-parliamentarization’ (Raunio and Wiberg, 2014). Along with the birth of a highly consensual coalitional culture in the 1980s, the parliamentarization of the constitution ‘governmentalized’ Finnish politics, making it strongly government-driven, undermining the PCO (Paloheimo, 2005).

The second unique change that has strengthened the Finnish parliament and PPGs during the research period is the rapid internationalization of Finnish politics, which resulted from the collapse of the Soviet Union in the early 1990s. In the Soviet era, the president controlled foreign relations through personal agreements, but Finland’s swift integration to the EU after the collapse strongly enhanced the roles of PPGs and party leaders in foreign affairs, which have in general increased considerably during the EU membership (Raunio, 2002). Finnish parties have faced several external pressures, which according to cartel party theory should weaken the PCO.

4. METHODS AND DATA

The study's dependent variable is the internal power distribution of a party organization. In Katz and Mair's (1993: 601–608) scheme, it refers to the party 'faces' relative weights at the intra-party arena, understood through the level of their independence, distinctiveness and operating capacity. Three factors are especially important for producing these qualities: decision-making capacity, leadership positions and financial and staff resources. Intra-party power distribution is assessed by measuring party 'faces' possession of these power resources.

Decision-making power refers to party 'offices' capacity to affect party policies, nominations, etc. (Katz and Mair 1993: 606–608). As informal decision-making power is hard to measure, studies usually focus on formal decision-making power via analyzing party statutes. While their poor correspondence with actual practices has been raised often, statutes can also be viewed as reflections of parties' underlying ethos and 'insurances' against unacceptable elite conduct (Katz and Mair 1992: 6–8).

Here, the analysis of party statutes aimed to determine "whether the party in public office enjoys an independent position or is to some extent subordinate to the extra-parliamentary organs" (van Biezen, 2000). Several important intra-party decisions were analyzed and coded: to what extent can the EPO affect 1) government formation, the selection of 2) candidates and 3) the leader of the parliamentary group (PPG), and 4) PPG's policy stances? The indicators also measured to what extent 5) can the EPO monitor PPG's conduct and 6) sanction its members (for the full coding scheme see Appendix 1). The values for individual indicators were measured on annual basis (for the years 1983-2017)

and aggregated, on annual basis, into a composite measure (the EPO power index) to allow comparison over time and between parties. It reveals if and when the level of PPOs' autonomy has changed.

The cartel party thesis describes various mechanisms through which party activists' control over the PPO should have weakened. The increasing complexity of politics and its 'governmentalization', internationalization and mediatization have distorted the representative linkage between the party activists and the PPO by highlighting the professional, reactive and public character of governance. PPOs' increased demand for autonomy – coupled with party activists' weakening legitimacy – should decrease PCOs' stance in intra-party decision-making. However, if party 'genetics' matter, the parties arrived to the cartel party era already in different forms (SDP's PCO was strong, NCP's PCO was weak) and the balances have not change much at all. If anything, the NCP's PCO, which strengthened during the 'golden age', should weaken again.

The second power dimension concerns the control of the leading party organs, and it is assessed by measuring MPs presence in them. The number of MPs reflects the prominence of the PPO in intra-party matters. (Katz and Mair, 1993.) While early studies focused on the national executive committees, it has been established that parties are more likely controlled from the "'intersection' of several party 'faces'" (van Biezen, 2000). In Finnish parties, this organ is the party presidium, a joint leadership unit, which includes the chairs, deputy chairs and general secretaries of the PCOs and PPGs, and the chairs of party councils, which is a wider EPO organ mainly consisting of the leading members of the subnational parties. To increase analytic breadth, the study also measures the

development of MPs presence in parties' ministerial groups. Increased MP presence in these organs indicates the strengthening of the PPO.

The cartel party thesis claims that party activists' legitimacy and presence in intra-party arena have weakened due to the general erosion of party activism. At the same time, professionalization of politics has enhanced the status of MPs – seasoned experts in their policy fields – and mediatisation increases their celebrity and prestige, too. As a result, MPs presence in central party organs should increase. If party 'genetics' – existing power discrepancies, primary goals – matter, the SDP should however try to resist the tendency.

The third power dimension concerns the distribution of party 'offices' main 'means of production': money and staff. To provide context for intra-party developments, party 'faces' overall financial strengths are first illuminated through the development of PCOs' party subsidy and PPOs 'office subsidy' (years 1967-2017). Since their inception, the subsidies have clearly been the 'faces' most important income sources in both parties (see below for details) and thus they provide a reliable picture of the development of the party 'faces' overall financial strengths. Total staff numbers in parties' central and PPG offices are used to assess intra-party developments, and changes in PCOs' functional orientation – from mass to 'electoral-professional' party – are illuminated through the development of central party offices' electoral spending.

A central tenet of the cartel party theory is that as parties have penetrated into the state, their financial dependence of it has increased, benefitting the PPO, which is most closely associated with it. Thus, we should witness a clear increase in PPOs' subsidies and staffs and a coincidental stagnation or even decrease in

PCOs' resources. As the PCO should now work mainly for the PPO, we should also witness a change towards 'electoral-professionalism'. However, while an individual party cannot change the subsidies, it can determine how to use them. Thus, SDP can and should resist the change while the NCP adapts fluidly.

5. THE PARTIES' ORGANIZATIONAL REACTIONS

The above-noted differences in the parties' formative choices echo clearly in the pre-1980s development of their formal decision-making power distribution. The SDP's party council ratified statutes for the PPG in 1907 while the NCP's parliamentary group drafted formal rules only in 1976. By the 1950s, the SDP's EPO organs had established a strong presence in the PPG. All members of the national executive committee and party council had gained unlimited access to PPG meetings. Before the Second World War, no EPO representatives could attend the NCP's PPG meetings. While the NCP's EPO organs later received some prerogatives in relation to PPG meetings (though not nearly as inclusive as in the SDP) and significant intra-party decisions, such as those relating to government formation, a key difference remained: in the SDP, all important decisions were to be made in the party council or upon its approval, in the executive committee. Meanwhile in the NCP, decision-making power was shared between the PPG and the party council, and executive committee was omitted from the decision-making processes (Borg, 1982). The formal powers of PCOs' main organizational manifestation, the party executive, differed significantly prior to the 1980s.

FIG. 1

Figure 1 presents the development of the composite measures that combine the individual indicators that measure EPOs' power over PPGs in various dimensions (see Appendix 1). As was expected, no major changes have occurred in the PCOs' formal decision-making powers. The SDP's PCO has mostly retained its strong position and the NCP's PCO, that was much weaker in the turn of the 1980s, has weakened faster. The remaining differences between the parties are substantial.

The main differences relate to executive committees' powers in government formation and the monitoring of the PPG. In all relevant decisions that relate to the government formation process – accepting the government coalition and its program, appointing ministerial nominations and portfolios – the SDP's executive committee can still – and usually will – become the sole decision-maker on the approval of the party council. In the NCP, the executive committee still plays no formal role in the process. Similarly, all members of SDP's national executive committee have been granted access to PPG meetings since 1939 (Borg, 1982), while ordinary members of the NCP's executive committee have never had this right.

A third dimension in which significant differences exist is the policy link between EPOs and PPGs. It is also the one in which the most changes have taken place. The SDP's formulations have always echoed the mass party ideal: EPO organs craft policies and the PPG pursues them in parliament. Until 1990, the PPG even had a specific organ, the 'initiative committee', which supervised the proper functioning of the link. Its ejection is the most significant change to SDP's PCO's powers. In the early 1980s, at the height of the mass party era, the NCP's statutory regulation on the policy link was reminiscent of the SDP's rules, but

with a more vague tone. In 1991, the task of enhancing the EPO's political objectives was removed from PPG statutes and in 2003 all references to the EPO's programmatic goals were omitted from the statutes, making the PPG programmatically independent.

Ongoing differences in major intra-party prerogatives reflect the PCOs' different roles in these parties. Statutory power is a significant power resource, because after it has been granted and institutionalized, it is hard to re-distribute without the consent of the power holder. Also, when statutes empower the PCO like in the SDP, they provide an effective 'insurance' against the leadership's reform initiatives. When the PCO is weaker, leaders can execute reforms more easily.

FIG. 2

The second set of measures assesses MP representation in leading party organs, party presidiums and ministerial groups. According to the cartel party theory, MP representation should have increased over time. But as Borg (1982) has shown, MPs have always been well represented in Finnish parties' leaderships. It is therefore not surprising that with one exception (the SDP in 1992), a clear majority of presidium members (i.e. EPO and PPG chairs, deputy chairs and general secretaries, and the chairs of party councils) have been MPs throughout the research period (Figure 2). While PPG leadership always comprises almost half, the share of MPs is significantly higher, because EPO leaders are often MPs too. The average over time in both parties is approximately 73.5%. If PPGs' general secretaries, salaried professionals that are not elected in party organs (like other presidium members) are excluded, the averages rise to over 80%. A minor upward trend resulting from the more thorough penetration by MPs into

EPOs' deputy chair and party council chair positions can also be detected. Party 'genetics' make no difference.

A clearer trend exists in MP-based ministerial nominations. Prior to the 1970s, nominations were characterized by the president's strong influence over them, fragmentation of the terms and the commonness of non-political caretakers. The parliament was not a "pivotal element in the ministerial path": in 1917-1967 only 57% of nominees were MPs and around a third (31.3%) had zero parliamentary experience (Törnudd, 1975). In a president-dominated political system, the independent power of the government was not substantial.

The parliamentarization of the constitution and the 'governmentalization' of political practice considerably increased the significance of ministerial groups in Finnish politics (Paloheimo, 2005; Raunio and Wiberg, 2014). Coincidentally, MP-based nominations began to increase. Figure 3 presents the number of MP-based nominations in all governments. It effectively represents the development of the studied parties, as of the 12 governments that operated from 1983-2017, the SDP was included in eight and the NCP in nine. Within-cabinet figures show that no significant differences exist between the SDP and the NCP. Again, party 'genetics' make no difference.

FIG. 3

Compared to governments in the 1970s, which were still steered by the president and in which only 62% of nominations landed to MPs, Kalevi Sorsa's IV cabinet (in office 6.5.1983-30.4.1987), the first in the 'parliamentarized era', already raised MP representation up to 80% from around 70% in the early

1980s. Since then, the relative share of MP-based ministerial nominations per government has increased almost without interruption. Minor decreases in the 2010s (Katainen, Stubb) result from mid-term changes in party leadership. As the party leader's automatic cabinet position became a norm in the 1990s, newly selected non-MP chairs sometimes attained a minister's position. However, they entered the Eduskunta in the next election. Overall, the MP background of ministers has developed into a very strong norm in Finnish politics. Contrary to what was expected, the SDP, too, has followed the trend at equal pace.

It should be noted, though, that ministerial nominations are not independent of other dimensions of intra-party power. As was noted earlier, significant inter-party differences exist in how the decisions are made in regard to government formation, including ministerial nominations. In SDP the extra-parliamentary organs' role continues to be crucial and therefore it could be argued that there the increases in MP-based ministerial nominations have occurred because the activists have allowed it to happen. Similarly, the EPO members of party presidium (party chairs, the general secretary and the council chair) are directly selected in a major EPO organ, the party congress. Nevertheless, however, the trend clearly contours the expectations of the cartel model in both parties.

The third and final set of measures assesses the development of PCOs' and PPOs' finances and staff. Public subsidies, the EPOs' party subsidy and the PPGs' office subsidy whose overall level since 1967 has been determined by MPs and allocated according to parties' electoral fortunes, have since their inception accounted for the vast majority of parties' total incomes – nearly 80% in the PCO and almost 100% in the PPG. As no significant differences between the studied

parties' subsidy/total income ratios exist, the development also reflects the situation in both parties.

FIG. 4

The designers of the party subsidy wanted it to sustain its value against inflation. It has, as Figure 4 shows, but its real value has not changed much over time. While the party subsidy relieved EPOs from seeking internal and external funding in the late 1960s, EPOs' overall financial strength has not increased much, if at all. During the early 1990s and 2010s recessions major reductions were made to the subsidy.

FIG. 5

A rather different development concerns the PPGs' office subsidy (Figure 5). The first payment was over 40 times smaller than the first party subsidy, but the almost uninterrupted growth of five decades has increased its real value tenfold and today it is only approximately four times smaller than the party subsidy. The PPOs' financial resources have clearly strengthened while PCOs' finances have stagnated, and the development relates directly to the actions of the majority of MPs. For example, during the recession of the early 1990s, the Eduskunta, on the initiative of Esko Aho's bourgeois coalition, cut the party subsidy by 15% (in 1991-1995) while the office subsidy increased by 24%. This reform produced lasting effects on parties' central and PPG offices.

FIG. 6

Between the late 1960s and the late 1980s, Finnish parties' central office staff increased 2.5-fold (Sundberg and Gylling, 1992). As indicated by Figure 6, since

1983 central offices' combined staff have undergone a 3.75-fold decrease. As was expected, the SDP entered the research period with a considerably larger EPO office and the lay-off process was much slower compared to the NCP, in which central office staff decreased very rapidly after the aforementioned party subsidy cutback. Despite party type related differences in adaptation speed, in terms of staff resources the PCO has clearly weakened in both parties. Also, when the party subsidy was resuscitated at the turn of the millennium (Figure 4), central offices did not begin to expand. Instead, parties' electoral spending, which had slowly increased throughout the 1990s, especially in the NCP, leapt (Figure 7). Central party offices have become smaller and more 'electoral-professional' in both parties, but at varying speed. Overall, the change however rather clearly supports the cartel party thesis.

FIG. 7

The emergence of public subsidies also expanded PPG offices. In the early 1960s, they had no paid workforce at all, while between the late 1960s and the late 1980s their staff increased threefold (Sundberg and Gylling, 1992). Along with the increase of the office subsidy, PPG offices continued to grow in the 1990s, albeit rather slowly (Figure 8) and in 1997, all MPs received an allowance to hire a personal assistant. Overall, the resources of Finnish parties' PPOs have increased considerably during recent decades, also reflecting the cartel model.

FIG. 8

6. CONCLUSIONS

This study examined if party 'genetics' can still in the cartel party era condition the development of power balance between the party in central (PCO) and public office (PPO) in Finland. Unlike in earlier longitudinal studies, the changes in intra-party power balance were assessed using simultaneously all traditional indicators of PCO/PPO power balance – on formal decision-making power, leadership positions, and money and staff. The mixed results, which the single-indicator studies have produced, have caused uncertainty in regard to the claim of the cartel party theory that contemporary parties are characterized by “the ascendancy of the party in public office” (Katz and Mair, 2002).

Interestingly, this multi-indicator study, too, found a mixed development. Like in earlier longitudinal studies on formal decision-making power (Gibson and Harmel, 1998; Pedersen, 2010), its distribution in Finland too varies significantly according to parties' 'genetic' heritages, and remains stable over time. The studied parties differed before they encountered external pressures, which did not reduce the differences at all. Here, all hypotheses were confirmed: compared to the cadre party case (NCP), the mass party case (SDP) arrived to the research period in a power balance that favoured the PCO much more (H1, H4), adapted less (H2, H5) and thus still appoints more power to its PCO (H3, H6). While this level of analysis cannot differentiate between the effects of specific 'genetic' factors (origin, institutionalization, goals), the parties' heritages, combined with the findings, indicate a 'genetic' effect.

On the contrary, despite minor differences in the speed of change (which contour the parties' 'genetic' differences), the development of the distribution of leadership positions and financial and staff resources supports the cartel party

thesis. In both parties, the share of MP-based leadership nominations and PPOs' financial and staff resources have increased while PCOs' financial resources have stagnated and staff resources have even decreased. For resources, this is what recent comparative studies have also found (Bardi et al., 2017).

This study's findings confirm the suspicions that earlier studies raised: PCO/PPO resource distribution can change while the distribution of (formal) decision-making power remains stable. Thus, "the ascendancy of the party in public office" can be less comprehensive than the cartel thesis suggests – at least for parties with mass party heritage. To confirm this tendency, however, wider comparative research is needed, of course.

If statutory power matters, where the PCO is dominant, the PPO cannot 'insulate' as Koole (1996) and Kitschelt (2000) noted, because public officials remain tied to intra-party processes. As PCOs typically control statutory regulations, the situation can change only if the PCO relegates itself, which seems unlikely – and according to empirical observations, rare too.

If statutory power is a primary power resource that can direct the use of other resources, the changes in leadership nominations and the use of party resources can be said to happen on party activists' approval. In the age of publicly funded parties, competent leaders and well-functioning offices also serve the interests of the PCOs. However, as the real effect of statutory regulations remains controversial, more in-depth research in the vein of Loxbo (2013) and Gauja (2017) is needed to verify these linkages.

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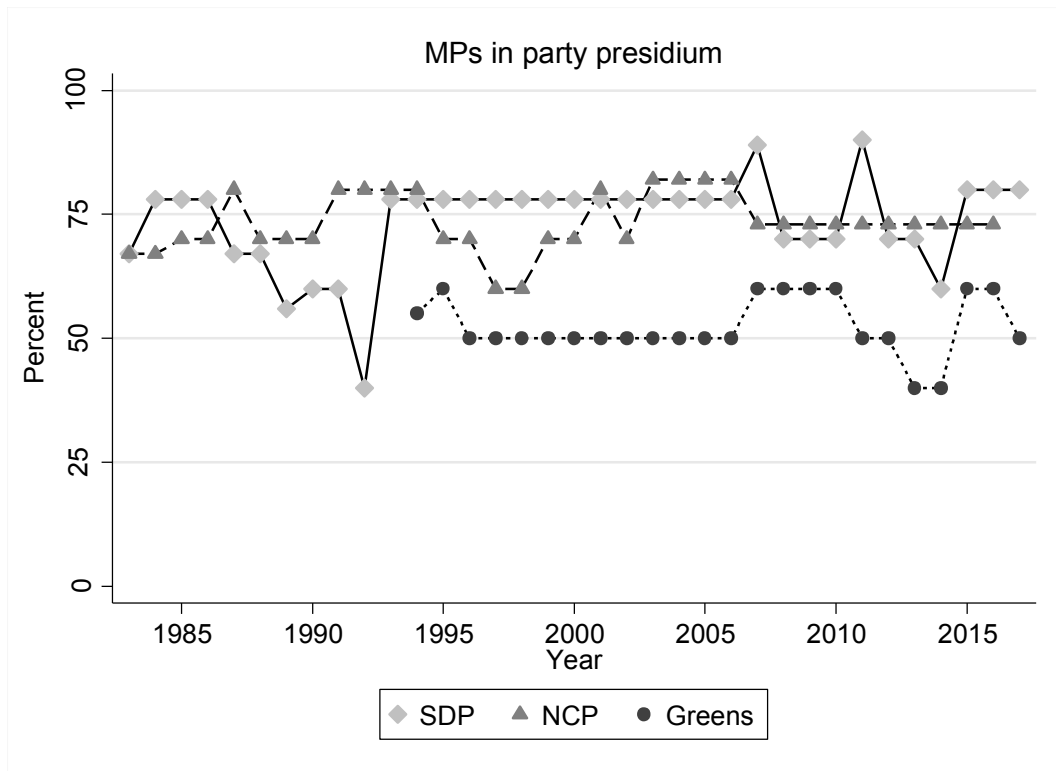
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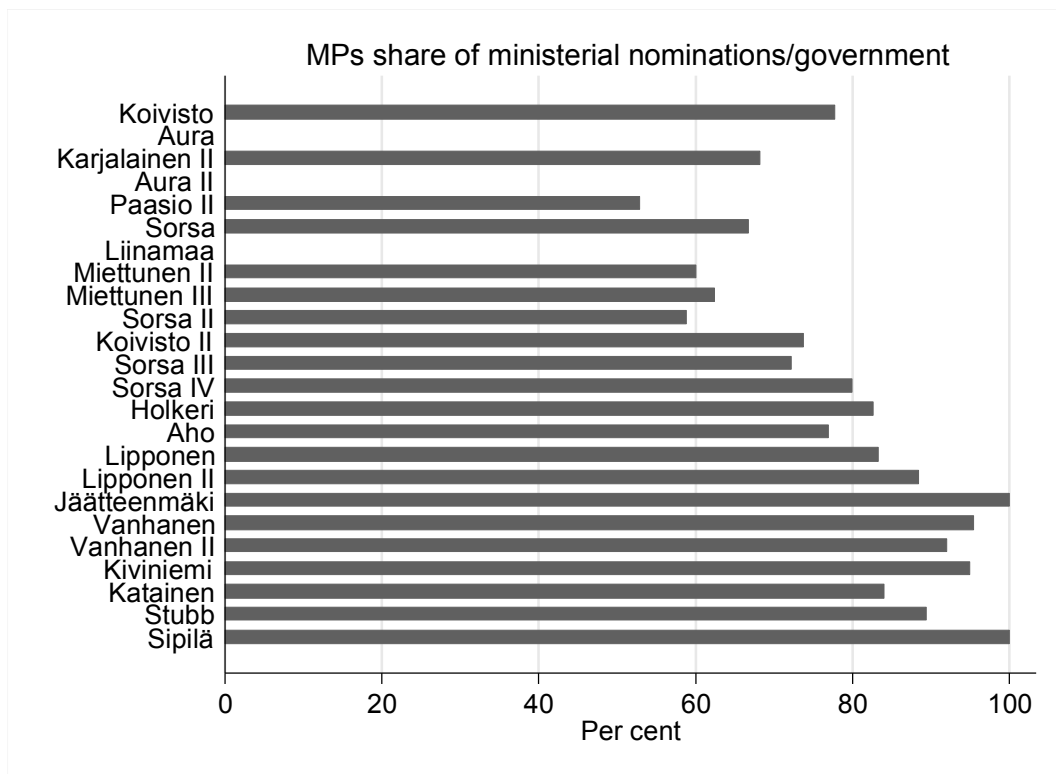
FIGURE 1.



Sources: party personnel: parties' annual reports 1983–2017; MPs: Eduskunta's MP database.

Note: Party presidium includes party chair and deputy chairs (2-3), party council's chair and party's general secretary, as well as PPG chairs (head (1) and deputies (2-3)) and PPG's general secretary.

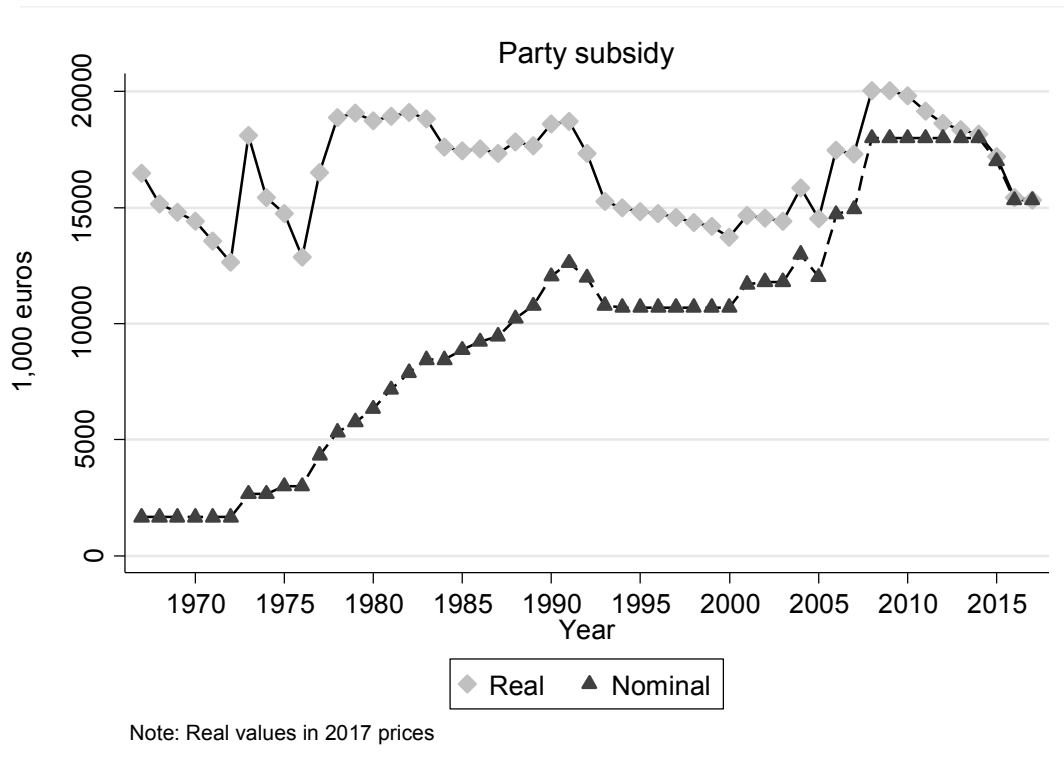
FIGURE 2.



Sources: Eduskunta's and Government's MP and ministerial databases.

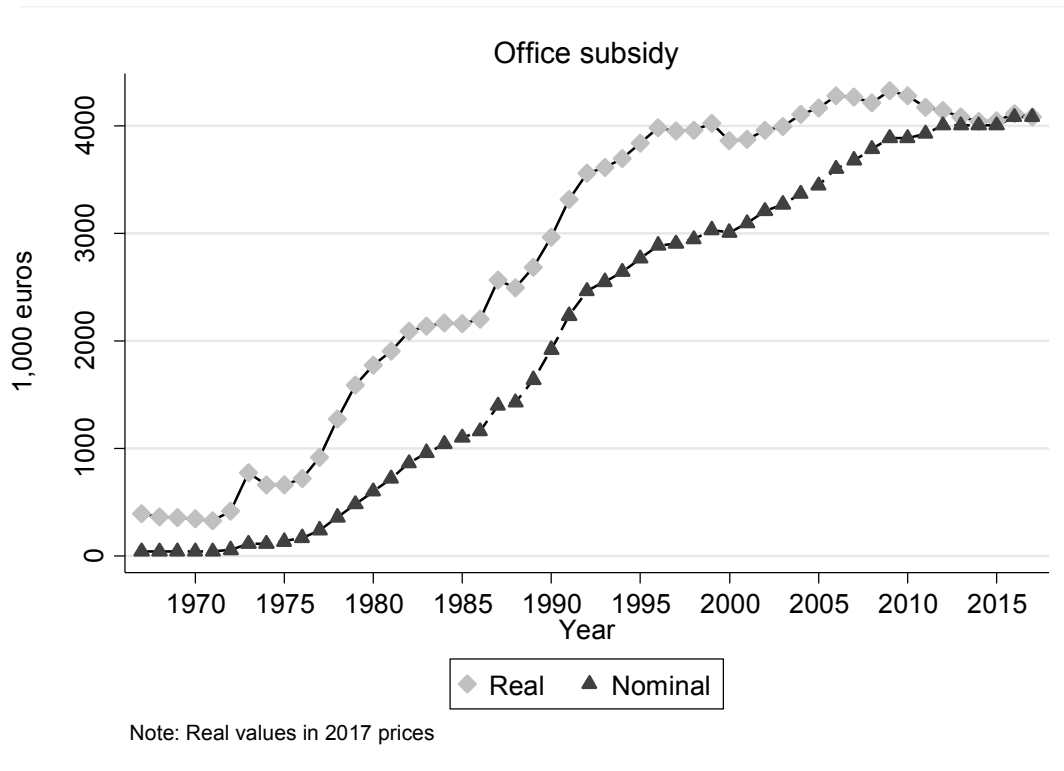
Note: The indicator measures how many of the separate individuals that were nominated for minister's position during the governmental term acted as MPs at the time of their nomination.

FIGURE 3.



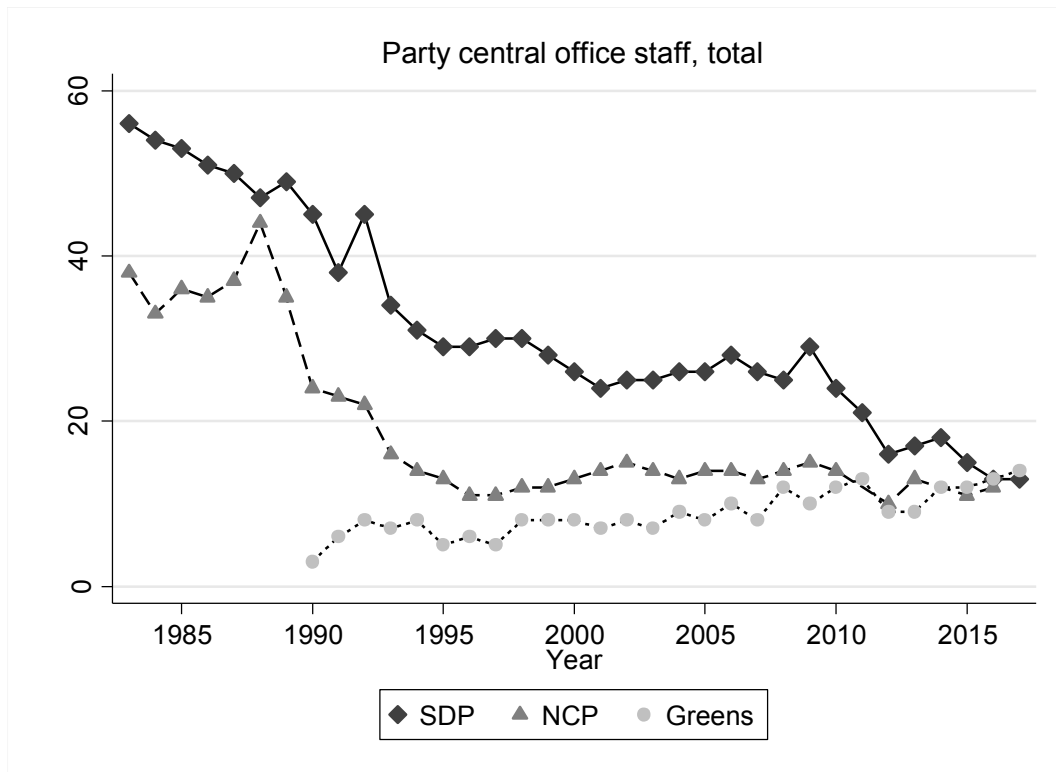
Sources: 1967–2004, Venho 2008, 44; 2005–2017, The Ministry of Finance.

FIGURE 4.



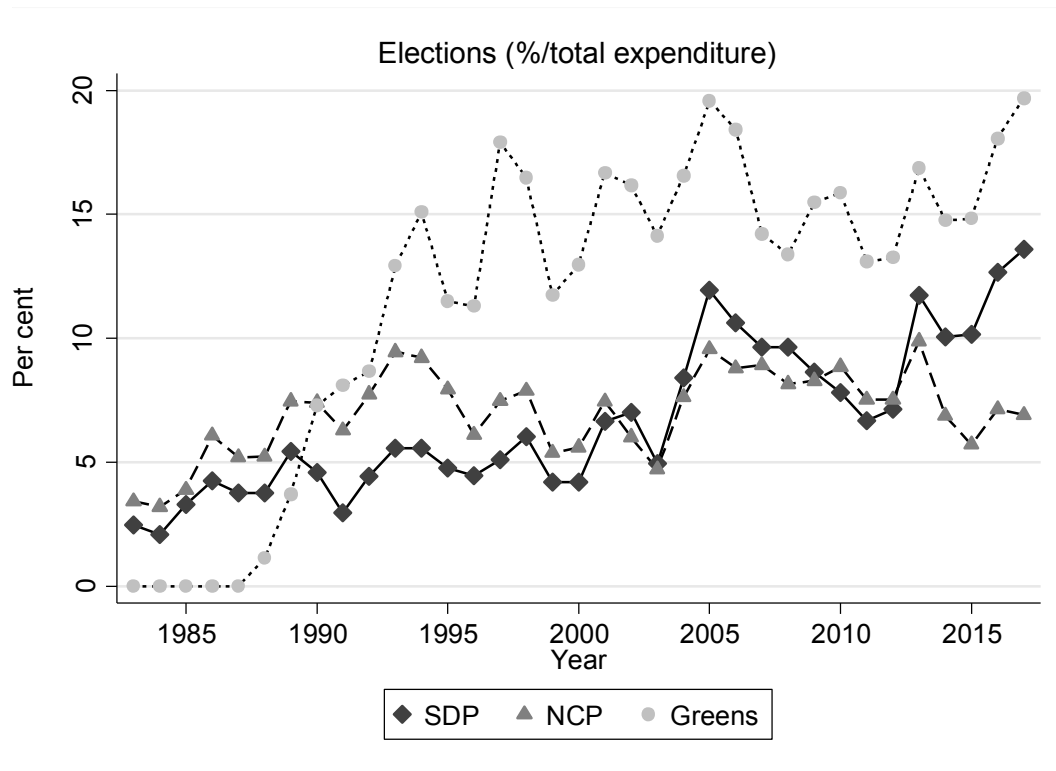
Sources: Sources: 1967–2004, Venho 2008, 44; 2005–2017, The Ministry of Finance.

FIGURE 5.



Sources: Parties annual reports 1983-2017.

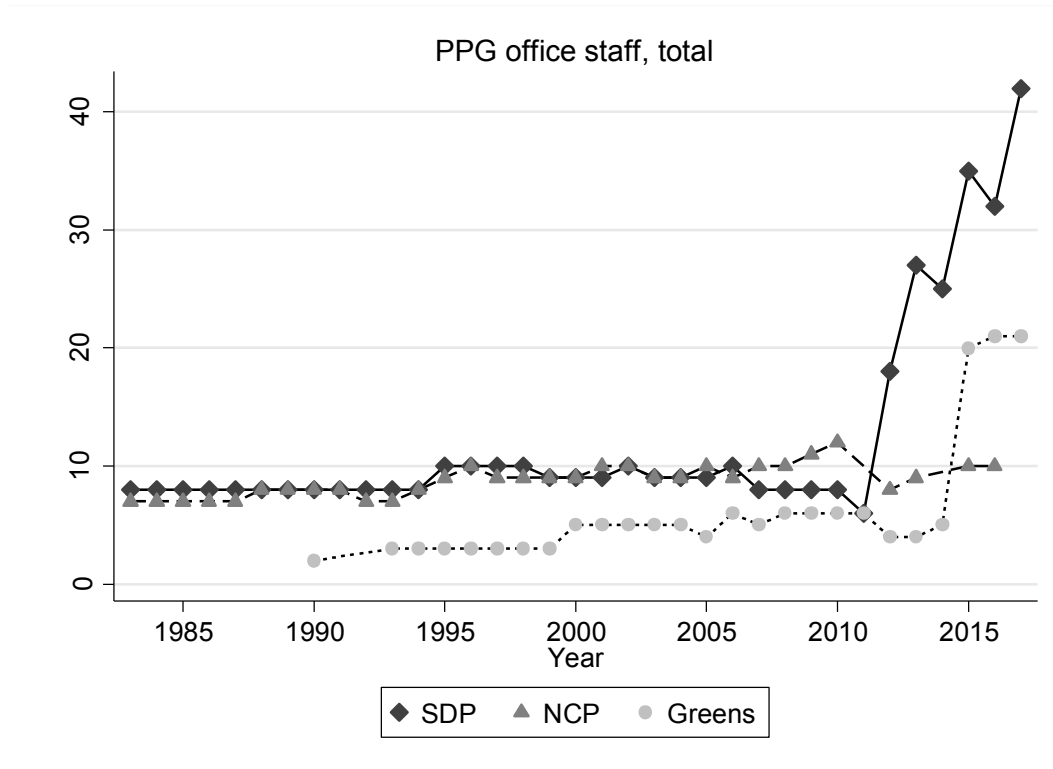
FIGURE 6.



Sources: Parties financial reports 1983-2012.

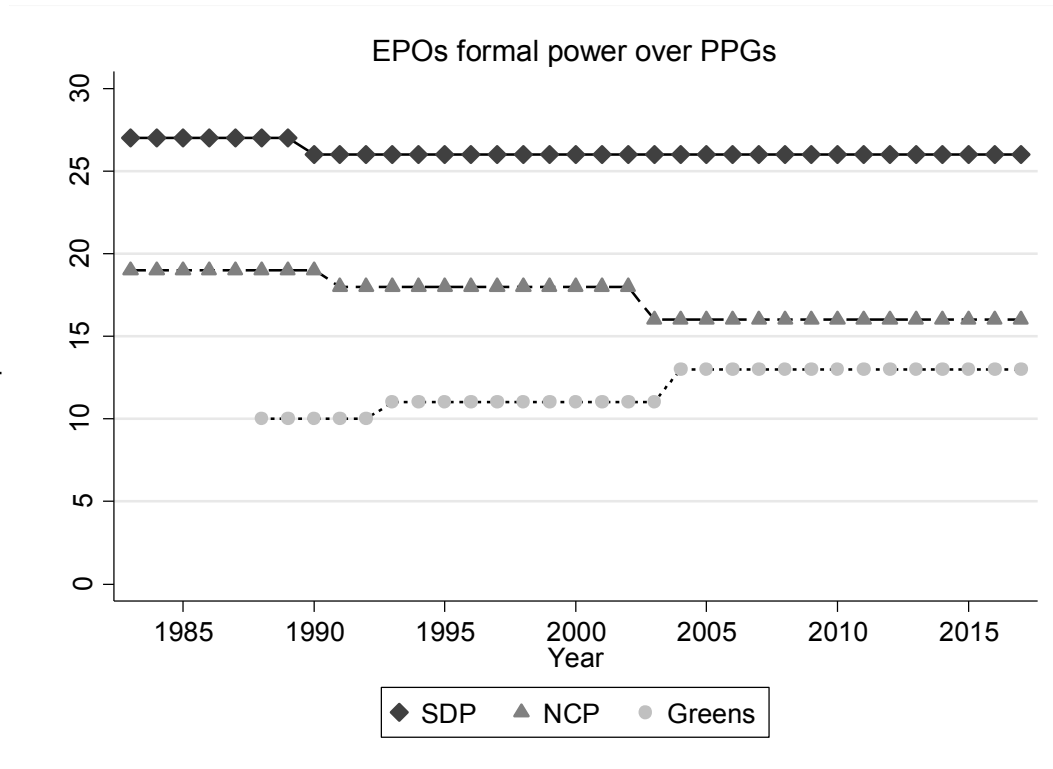
Note: To even out periodical fluctuation and present the trend more clearly, the figure presents moving weighted averages, which consider two previous and two forthcoming years with a 1/5 weight.

FIGURE 7.



Sources: Parliamentary groups annual reports 1983-2012.

FIGURE 8.



Sources: Parties' and PPGs' official statutes 1983-2017.