

LUKAS PUKELIS

Informal mutual oversight
mechanisms in coalition governments:
Insights from the Baltic states
for theory building



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For Evelina

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INTRODUCTION

Looking from a contemporary perspective, it is almost hard to believe that there was a time that coalition cabinets were not a common occurrence. Whenever parliamentary elections failed to produce a clear winner, this meant a failure of the entire political system and resulted in turmoil. Consequentially, governing was made almost impossible because cabinets could not muster a simple majority in the plenary to pass any legislation, as the experience of the Baltic states (and quite many other European countries) during the interwar period demonstrates. By contrast, from the end of the Second World War onwards more than half of the cabinets in Western European states are made up of multiple parties and the comparable figure for Central and East European (CEE) states since 1990 is even higher (Döring & Manow 2016).

With such a high prevalence of coalition cabinets, understanding how they manage to govern together and keep all the coalition partners in line is of paramount importance. After all, each of the coalition partners is primarily pursuing their own goals and seeking to be reelected. With each of the partners trying to pull the coalition policy their own way, this can seriously impede or destroy the coalition cabinet. In turn, failure to maintain a functioning coalition cabinet can incite political turmoil which is not beneficial for anyone. However, despite great inherent risks and diverging interests of the coalition partners, most coalitions manage to form more or less productive cabinets. (Strøm, Müller & Bergman 2008; Müller & Strøm 2003)

This dissertation is about some of the instruments used to achieve such stability. To be more precise, it focuses on informal mutual oversight mechanisms (IMOMs) used in coalition cabinets to manage uncertainty, ensure the smooth exchange of information between the partners, and to prevent possible agency losses or political undercutting. In this dissertation IMOMs are understood as various measures taken by the cabinet coalitions such as appointments, agreements and/or meetings that, in addition to their formal or primary functions, also serve as means for coalition partners to informally ‘keep tabs’ on each other’s activities.

Over the years, scholars have identified a number of such mechanisms: cross-appointments of Committee Chairs and Junior Ministers; Coalition Agreements and Coalition Committees. Each of these mechanisms has a number of formal functions that they are supposed to perform: 1. the chairs of parliamentary committees have to direct committee work-flow and set the agenda; 2. Junior Ministers have to assist the minister and, depending on the institutional set-up of a given country, chair a ministerial department or take care of certain administrative tasks; 3. Coalition Committees are created to set the governmental agenda and overcome the ongoing challenges; and 4. Coalition Agreements are the cabinet’s pledges to the electorate about its goals and policies.

However, each of these mechanisms also has an informal function of scrutinizing the actions of the coalition partners. Committee Chairs might set-up the committee agenda in such a manner that undesirable legislation will not reach the floor of the plenary. Junior Ministers might use their positions in the ministry to spy on the activities of the minister. Coalition Agreements might also serve as instructions on what a certain minister is allowed to do, and how to execute it. Finally, Coalition Committees can be used to pressure coalition partners to pursue a certain policy or deter them from certain actions.

There is a growing amount of evidence suggesting that these mechanisms are used in precisely such fashion in many Western European countries (Thies 2001; Moury 2010; Carroll & Cox 2012; Strøm et al 2010; Martin & Vanberg 2004). So far, the bulk of scholarly efforts has been concentrated on cataloging the usage of IMOMs and determining that these four mechanisms do indeed serve an informal oversight function as well. This dissertation aims to provide a modest contribution towards the better understanding of IMOM usage. It asks three main questions: 1. How are these IMOMs used in the Baltic states?; 2. How does their usage depend on the institutional structure of each country?; and 3. What factors account for the overall usage of IMOMs?

The dissertation's contribution to the field is threefold – first, from the analytical perspective it demonstrates that IMOMs emerge as a means to mitigate the uncertainty associated with coalition governance. However, as no single IMOM can serve this purpose by itself, they are always used as a system. Therefore, they should be conceptualized and analyzed as an informal system enabling coalition partners to 'keep tabs' on each other rather than just individual instruments. This dissertation demonstrates that the performance and the explanatory power of an analytical model can be improved if IMOMs are analyzed together as a system of oversight rather than individual mechanisms. In other words, this dissertation presents an argument that IMOMs ought to be analyzed not individually one-by-one, but always as a part of a larger whole – a system of mutual oversight between coalition partners.

Second, from a theoretical perspective, this dissertation showcases that two explanatory factors that have been studied only in a very limited manner – coalition cabinet type and the amount of experience of governing – have together a significant impact on how IMOMs are used. Moreover, this relates to both the overall amount of IMOM usage and the patterns they form. Finally, from an empirical perspective, this dissertation contributes towards a deeper understanding of how coalition cabinets work in newly democratized countries. Data collected for this dissertation (both quantitative data on coalition appointments and insider interviews) help to shed more light on how coalition cabinets function in the three Baltic states, and allow to compare their activities in a manner previously not undertaken.

This dissertation studies coalition cabinets that were in office in the Baltic states between 1992 and 2012. It analyzes coalition appointment data on Committee Chairs and Junior Ministers, Coalition Agreements and coalition programs. Quantitative data from these sources are then supplemented by qualita-

tive interviews with cabinet insiders who have occupied a high position (either a committee chair or a cabinet member) in a coalition cabinet during the period analyzed. The detailed rationale for choosing these three countries is presented in Chapter Three. However, it is worth mentioning in brief that this choice was driven by three main reasons: 1. the Baltic states have been seen as ‘success-stories’ among newly democratized countries; 2. they exhibit variation in terms of constitutional structure, and 3. they feature a range of IMOMs.

The Baltic states could be called ‘success-stories’ among the newly democratized states because, despite being in a worse starting position than most states in the CEE, they rank very closely to those in the Western Europe and the Nordic region in all comparative measures of democracy and have similar levels of cabinet stability to other countries in the region (see Table 1).

Table 1. Democracy Indices and Cabinet Stability Measures

	Freedom House Score*	V-Dem Electoral Democracy Index**	V-Dem Liberal Component Index***	Average Government Duration (in days)****
Estonia	94	.91	.95	568
Latvia	87	.84	.88	352
Lithuania	91	.83	.94	575
Western Europe	95	.86	.94	-
CEE	75	.67	.74	565

*Aggregate Freedom House Score for 2017 < <https://freedomhouse.org/report/fiw-2017-table-country-scores> > (2017 08 21)

**Index measures freedom and fairness of the elections

*** Index measures respect for individual freedoms and liberties. Both V-Dem indices are reported based on data from V-Dem Online Analysis Tool < <https://www.v-dem.net/en/analysis/> > (2017 08 21)

**** Data from Conrad and Golder (2010)

Nonetheless, they are still characterized by relatively high voter volatility and fragmented party systems (Bielasiak 2002). The fact that political systems in the Baltic states work quite well even under such pressures testifies that cabinet coalitions in the Baltic countries have come up with ways of effectively working together and delivering results even in the difficult circumstances. Hence, it could be argued that the Baltic states represent a case where IMOMs have worked quite well and the Baltic experience could yield interesting insights relevant for other newly democratized countries.

Furthermore, the Baltic states make-up a good sample for this study, since they vary significantly in their institutional structures. Latvia and Estonia are

examples of parliamentary systems, while Lithuania is semi-presidential. Since existing literature on IMOMs mostly focuses on parliamentary systems, insights from the Baltic states could contribute to a better understanding of whether democratic regime type has an effect on intra-cabinet relations between coalition partners. Finally, the Baltic states differ in terms of which IMOMs are available for the coalition partners. While Lithuania and Latvia use a full array of IMOMs, Estonia has been more circumspect, abandoning, for example, the use of Junior Ministers after a brief period of experimentation. Since this IMOM has been demonstrated to be one of the main vehicles of oversight in Western European states (Thies 2001; Strøm, Müller and Smith 2010), analyzing how mutual oversight is carried out without this mechanism can also tell us a lot about how the selection of certain IMOMs impacts their overall use.

The dissertation is divided into three major parts, which are further divided into chapters and sections. The first part analyses how IMOMs fit into the overall framework of coalition governance. The first chapter explores how delegation and accountability works in coalition cabinets and what problems associated with power delegation coalition cabinets face. It shows that coalition cabinets work in an environment where uncertainties are huge and the means to manage them are limited. The second half of the chapter presents IMOMs as measures to manage the uncertainties outlined in the previous chapter and combat power delegation problems: information asymmetry and agency loss. However, no single IMOM can fully meet these requirements, as some of them are only good for collecting information, others for facilitating dialogue and some others for issuing sanctions for the misbehaving parties. For this reason, IMOMs are rarely (if ever) used individually and are mostly used together in groups, forming a *system* of informal oversight. The second chapter considers different factors that might affect IMOM usage and presents the five hypotheses tested in this study:

- *H1: As the ideological distance between coalition partners increases, IMOM usage increases.*
- *H2: As the number of coalition partners increases, IMOM usage increases.*
- *H3: Coalitions made-up of parties with more coalition experience use IMOMs more extensively.*
- *H4: Minority coalitions use IMOMs to a lesser extent than majority backed coalitions.*
- *H5a: Specific features of the national institutional contexts in different countries do not affect the overall IMOM use.*
- *H5b: However, the specific features of national institutional contexts in different countries affect the popularity of individual IMOMs.*

The second part of the dissertation is dedicated to how IMOMs are used in the Baltic states and explaining these patterns both cross-sectionally and temporally. The third chapter presents the rationale for analyzing the Baltic states, data sources, and methods for analysis. Chapters Four to Seven are dedicated to

the individual IMOMs. Each chapter provides some basic information about a particular IMOM, the history of its use in the Baltic states and how its use is effected by the existing institutional context of each of the Baltic countries. These chapters also provide key descriptive statistics and show how these IMOMs interact with the factors specified in Chapter Two. The main finding of this part is that the analytical model performs quite well on individual IMOMs and that their use in the Baltic states has been rather intensive.

The third part analyses IMOM patterns in the Baltic states and the overall intensity of their use. It demonstrates that national institutional particularities can have a notable influence over which IMOMs are favored and used more intensely. However, when analyzing the intensity of oversight as a whole, national effects remain significant, but decrease in importance. IMOM use is shown to depend on (in order of importance) the number of coalition partners, the amount of experience governing together, national effects and coalition cabinet type. Moreover, we will see that, when taken together and analyzed as a whole, the combined models perform significantly better than they do for individual IMOMs. This can be interpreted as an argument for a new approach to the analysis of IMOMs – to analyze them as a coherent system rather than focusing on the use of individual mechanisms. One final question asked in this part is, does IMOM use have an impact on coalition cabinets? The analysis demonstrates that with time the usage of IMOMs and cabinet longevity have increased and that greater IMOM use has had a stabilizing effect on the coalition cabinets in the Baltic states. The findings of the dissertation are for the most part consistent with those of the other case studies (Indridason & Kristinsson 2013; Clark & Jurgelevičiūtė 2008; Carroll & Cox 2012; Dong Hun and Loewenberg 2005) with one notable exception: the effect of ideological distance between the coalition partners. Previous studies have established that ideological distance is positively associated with the IMOM use (Thies 2001; Carroll & Cox 2012; Dong Hun and Loewenberg 2005). However, this dissertation demonstrates that ideologically diverse cabinets are likely to use IMOMs less intensely. This finding does not contradict the findings of previous studies, but rather demonstrates that the relationship between the ideological distance and IMOM use is more complex than considered previously.

PART I: THEORETICAL OVERVIEW

Chapter 1: (Inter-party) Delegation and Accountability in Coalition cabinets

Making coalition cabinet work is hard. It is so because it involves finding a tough balance between simply leaving each minister to freely pursue his/her policy priorities (abdication) and trying to find some common ground in order for the cabinet to act more cohesively. Such attempts would, however, involve making some difficult compromises (controlled delegation), which would be hard to keep. Abdication would allow each minister to freely manage his/her respective policy field, but would produce sub-optimal policy outcomes. Controlled delegation, on the other hand, would involve finding a compromise between the different policy preferences of coalition partners but would also entail the risk of the ministers shirking from the agreed compromise in favor of their own party interests. Existing research has demonstrated that coalitions often choose the latter option and try to mitigate the inherent risks by putting in place oversight mechanisms that would allow coalition partners to keep tabs on each other's actions, limit the potential for agency shirking, and do all of this away from the public eye. In order to understand these processes well, we must first take a closer look at the institutional environment in which they take place.

Inter-party delegation

This dissertation approaches the relations between coalition partners as an instance of inter-party delegation, when MPs from different party groups which make-up a coalition in parliament delegate to a cabinet of ministers which is composed of the representatives from multiple parties. The term inter-party delegation implies that parallel to the broader delegation from parliament to cabinet there is another delegation process taking place where MPs from one party group delegate the authority to cabinet members from another party (Thies 2001). Martin and Vanberg (2004) have also called this process 'delegation within cabinet' and Moury (2010) 'double-delegation'. Overall this approach is nested in the rational-choice approach to new institutionalism which is employed in the works of Kaare Strøm, Wolfgang Müller and others (Strøm 1990, Müller and Strøm 1999; Strøm and Müller 2003; Strøm, Müller and Bergman 2008; Strøm, Müller and Smith 2010).

Coalition cabinets mostly occur in parliamentary and semi-presidential regimes, where the cabinet of ministers originates from the parliament. Such system can be perceived as a chain of delegation and accountability running from the ultimate sovereign – the people – to the bureaucracy and state's administrative apparatus (Strøm and Müller 2003). The main features of this chain are: (a) it involves multiple steps of delegation (from voters to MPs, from

MPs to the cabinet, from the cabinet to bureaucracy), (b) it is indirect because each agent is directly held accountable to its own principal (e.g. a civil servant is accountable to the head of the ministry and not directly to parliament), (c) it is singular because each link of the chain features a single principal and most often a single agent, and (d) it is hierarchical because rather than the Madisonian system of checks and balances which involves multiple government agencies checking each other's power, in the parliamentary systems all of them are subordinated to the parliament (Strøm, Müller and Smith 2010).

This study focuses exclusively on the second step of the delegation chain: when MPs delegate tasks of preparing draft legislation and enacting approved bills to the cabinet of ministers. This step is problematic because, due to the characteristics mentioned above of the power delegation process in parliamentary systems, parliaments are the only actors holding cabinet members to account.

Problems arise because in the cabinet, each minister enjoys substantial power and autonomy to act in his/her policy field. For the moment let us not consider how different decision making rules in a coalition cabinet might limit ministerial power (this discussion is presented in greater detail later in this chapter), because even in cabinets where ministerial autonomy is limited by collegial decision making rules (e.g. decisions in cabinet are made unanimously), ministers still have power to be sole proposers of draft legislation. After all, it is hard to imagine the prime minister or education minister preparing an agriculture bill. Furthermore, ministers are specialists in their respective policy fields and command a team of civil servants who assist them with their duties. All of this gives ministers a substantial informational advantage over the MPs who delegated power to him/her or over other members of the cabinet. This advantage (or information asymmetry) then possibly allows the minister to pursue goals different from those that the parliament entrusted him/her to pursue. This can take many forms: (a) leisure-shirking – when a minister takes more time to enact a policy than needed, (b) rent-seeking – when minister asks for more resources than are needed to enact a policy, and (c) policy drift – when a minister pursues different policy goals than originally intended.

Preventing agency shirking and the information asymmetry that allows it to occur is difficult enough in single party cabinets. However, in such scenarios, party institutions play a mitigating role. In order to be appointed to a cabinet position, a person has to prove his/her loyalty to the party program multiple times throughout his/her career. Furthermore, since a party effectively controls the resources needed to run a re-election campaign, candidates willing to continue on with their careers have a strong incentive not to upset the party.

In coalition situations delegation becomes more complex. As Figure 1 demonstrates, first there is coalition in parliament (MPs from different party groups which form the coalition) delegating to the cabinet coalition. However, simultaneously this also involves MPs from one party delegating on the one hand to ministers from their own party, whom they can (sort of) trust and control, and on the other – ministers from other parties who are more difficult to

trust and control. At the same time each of the cabinet members is accountable to his/her own party and simultaneously to the coalition as a whole. Further down the chain of delegation and accountability, the coalition as a whole is held accountable for its actions to the voters.

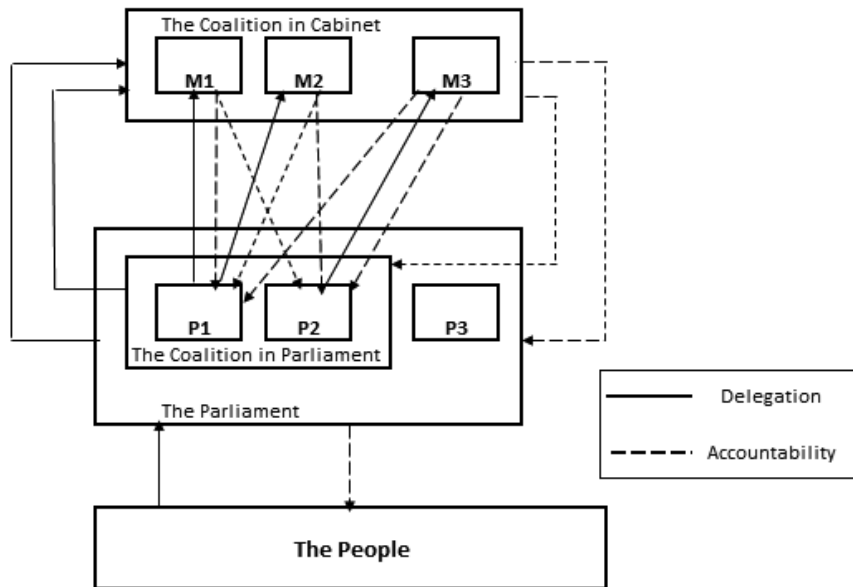


Figure 1: The web of delegation and accountability in coalition governments

As mentioned in the beginning of the chapter the delegation that occurs in coalition cabinets has been given many names in the scholarly literature. This dissertation uses term ‘inter-party delegation’ proposed by Thies (2001) because in the author’s opinion it captures the nuances of delegation in coalition cabinets best. Martin and Vanberg (2004) use the term ‘delegation within cabinet’, and while this phrase correctly captures the dynamic that some delegation occurs within a cabinet of ministers when each minister is delegated a power to be the main proposer of policy within a given policy field, it ignores another aspect of delegation in coalition cabinets that is between different groups of the coalition in parliament and different ministers in the cabinet. Moury (2010) has instead proposed the term ‘double delegation’, for she distinguishes delegation between one coalition party group and its own ministers from delegation to the ministers of another party, as they follow two different dynamics and different sets of expectations about possible agency loss. However, this term implies that there is a simple dichotomy between two sets of expectations: delegating within the party and delegating outside, which might not always be the case, especially in bigger coalitions. In such circumstances parties might have different expecta-

tions to tried-and-tested coalition partners from the past and, for example, some new party group which just entered parliament.

Inter-party delegation is difficult because parties might encourage their ministers to pursue their party's interests at the expense of those of the coalition. In addition to this danger of agency shirking, coalitions have difficulties holding cabinet members to account. Since coalitions are made-up of multiple parties, it is impossible to employ party-level disciplinary mechanisms to all the coalition members. Also, there is always a chance that the other parties will reward instead of sanctioning ministers who advanced their party's interests at the expense of those of the coalition. Furthermore, coalitions cannot really use official/ formal scrutiny instruments (such as MP questions or interpellations to the cabinet members) because such behavior would attract media attention, and because it might turn into a larger scandal and seriously damage or even break-up the coalition. Additionally, parties which are perceived as having broken a coalition are less likely to be included in future coalitions (Tavits 2008).

Third, coalitions cannot overcome delegation problems by simply making slight alterations to the way a cabinet makes decisions. Though there are many ways to alter decision making rules in the cabinet, none of them can cure the problems of coalition governance. For instance, granting PM a more prominent role might help the PM party to ensure that all the ministers follow the coalition line, but this would most likely require to compensate the coalition partners for the loss of autonomy of cabinet members by giving them more / more valuable cabinet positions. This would, in turn, create new opportunities for power delegation problems to occur. Similarly, if cabinets decided to grant gate-keeping powers to the minister of finance, coalition partners would ask to be compensated in very much the same way (Martin and Vanberg 2001).

Choice between abdication and regulated delegation

Given such difficulties inherent to coalition governance, partners in a coalition face a tough choice between: a. abdicating and allowing each minister to pursue his/her preferred policy; and b. trying to come up with the compromise policy that would be suitable for all coalition partners. None of these options is perfect and the choice is often difficult.

An example of abdication or ministerial government was proposed by Laver and Shepsle (1990). In that scenario, all the power in a given policy-sphere is delegated to the minister and he/she is allowed to pursue his/her ideal policy. In such a scenario, parties choose between all possible combinations of different parties taking different portfolios. Consider an example in Figure 2, which shows two policy spheres: welfare and defense, and two parties (A and B) trying to divide them between themselves. Altogether four combinations are possible: AA with party A controlling both portfolios, BB with party B controlling both portfolios and AB or BA with parties taking one portfolio each.

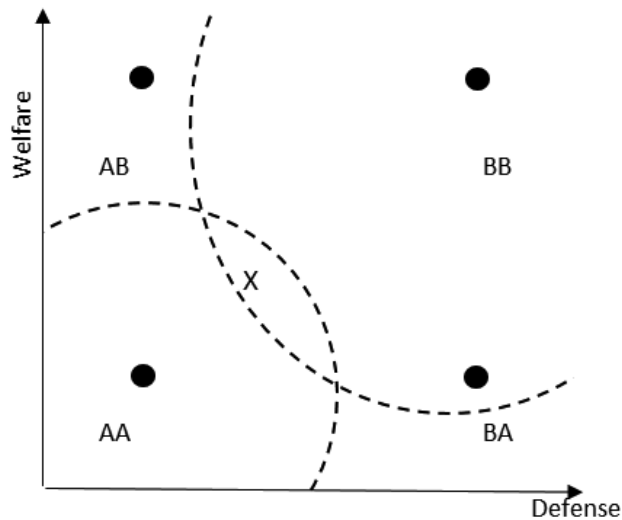


Figure 2: Policy decisions under ministerial government
Figure prepared based in Thies (2001)

Combination AB would involve spending party A's ideal point on defense and party B's ideal point on welfare; point BA – vice-versa. Hence, there is a fundamental difference between combinations AB and BA, though both entail forming a coalition between parties A and B. In such a situation parties would accept a party-portfolio combination that is the closest to their ideal point. Once that is done, parties would move on to the governing phase and begin implementing their policy. Such a mode of governance has the advantage that parties need not worry about policy drift or agency shirking because each minister is given free rein to enact his/her ideal policy anyways. However, it also has a major drawback: neither the point BA nor AB is Pareto optimal, as neither of these points are located in the win-set overlap of the two parties. Finally, such a mode of governance suffers from the drawback of being extremely inflexible. For instance, it might be acceptable to the coalition parties so long as the economic situation is stable, however, if it turns for the worse and some quick adjustments are needed, such a coalition would have a tough time finding a new agreement or equilibrium.

For both parties it would be much more optimal to agree on a policy position somewhere near the point X, which marks the overlapping win-set for both parties. Doing this, would produce a more Pareto-optimal results compared to the possible alternatives. Additionally, if parties coordinate their policies to accommodate each other's preferences, it would stand to reason that such coalitions would also be more capable of responding to critical events, such as economic crises or other outside shocks (Martin and Vanberg 2004).

However, this approach is also risky. Since in such situations ministers are not allowed to propose or enact their preferred policy and instead have to pursue coalition compromise which might be far from their ideal point, there is always a danger that they will abuse their informational advantage and will try to shirk from the coalition compromise by moving closer to their party's ideal point. In other words, compared to the abdication scenario, policy-coordination can be best described as high-risk-high-reward situation in which coalition partners accept the possible risks of ministerial shirking in hopes that such coalition arrangement would yield higher rewards than an abdication scenario (Falco-Gimeno 2014).

Existing research demonstrates that coalitions tend to pursue higher rewards by coordinating their policies (Thies 2001; Martin and Vanberg 2004; Moury 2010; Strøm, Müller and Smith 2010; Carroll and Cox 2012). At the same time, they also seek ways to minimize the risks associated with agency shirking. Mostly, it is done by creating special institutions that would allow coalition partners to effectively oversee each other under above-specified constraints and, thus, disincentive ministerial shirking. In this dissertation these institutions are called informal mutual oversight mechanisms (IMOMs).

IMOMs

As Thies (2001) pointed out, coalition cabinets choosing to coordinate their policies need to either reduce a minister's incentive to shirk or the ability to do so. The former can be achieved by creating effective sanctions against ministerial shirking, while the latter can be accomplished by taking measures to reduce minister's informational advantage. In other words, creating oversight institutions which would meet two essential criteria for effectiveness: would be able to obtain all the information in their domain and would be able to punish defecting agents (North 1990). However, due to the fact that coalitions generally prefer to keep such oversight measures and mutual scrutiny away from the public eye, these institutions in the coalitions must meet one final requirement – informality. In other words, these oversight mechanisms must be able to function in a way that would not draw much attention.

This is most often done by adding mutual oversight function on top of already existing institutions, which formally have a different set of tasks. In this dissertation IMOMs are understood as various measures taken by the cabinet coalitions such as appointments, agreements and/or meetings that, in addition to their formal or primary functions, also serve as means for coalition partners to informally 'keep tabs' on each other's activities.

There are many ways how these mechanisms can be classified. Following Thies' (2001) typology, they can be divided into two major groups: ex-ante and ex-post. Ex-ante IMOMs are measures taken prior to the governance phase and involve steps to reduce mutual uncertainty between coalition partners by, for example, creating agreements about future coalition's policy. Ex-post IMOMs

can be further divided into two groups: ones aimed at reducing agents' informational advantage and another aimed at issuing sanctions for adverse behavior.

Existing literature has identified a number of such mechanisms and four of them that are most widely used are the subject of this study: 1. appointing the chairs of parliamentary committees to shadow ministers, 2. appointing Junior Minister to keep tabs on ministerial activities, 3. creating Coalition Agreements and, finally, (iv) functioning of the Coalition Committees.

IMOMs as a system of oversight

This dissertation builds on a number of previous studies, which have analyzed the various methods how parties in coalition cabinets 'keep-tabs' on their coalition partners and seek to solve power delegation problems. Though, to the author's best knowledge, this dissertation is the first to use "Informal Mutual Oversight Mechanisms" as an overarching term to describe the system of mutual oversight in coalition cabinets, many authors have analyzed (some of the) IMOMs as separate instruments or drew attention how they can be applied together in coalition cabinets. Later chapters in this dissertation analyzing the use of the individual IMOMs, each have a section presenting earlier research on a particular IMOM in greater detail, but it is nonetheless important to devote some attention how the study of IMOMs in general has evolved through time. This section does precisely that: it presents a general overview of the previous research efforts, simultaneously highlighting which elements of the previous research are included in the approach to the study of IMOMs used in this dissertation as well as the main shortcomings of the previous approaches, which this dissertation seeks to address.

Arguably, the first article on the topic was Thies (2001) study on how Junior Ministers can be employed to oversee the activities of the coalition partners. In this study, Thies offered two major contributions: first, he outlined the general logic of the delegation problems plaguing coalition cabinets and the difficulties with coming-up and implementing policies which would simultaneously meet the preferences of the coalition partners and produce Pareto-optimal policy outcomes. This general logic without major adjustments was also picked-up by later studies of various IMOMs, including this dissertation and is presented in greater detail in previous sections of Chapter One.

Second, Thies also identified a number of factors that could influence the IMOM use. These are: Institutional checks, portfolio salience, ideological distance, and capacities to monitor ministerial actions (Thies 2001: 585–586). This contribution was a bit less enduring and only preference divergence among coalition partners was included in most of the subsequent studies. The reasons for this are discussed in greater detail in the theoretical sections of the Chapter Four and the Chapter Five of this dissertation.

However, most importantly, Thies (2001) work succeeded in drawing the attention to power-delegation in coalition cabinets, previously understudied

topic and IMOMs as means to manage this process. Many other authors built on Thies (2001) argument an insights. The remainder of the section bellow presents by no means exhaustive list of subsequent contributions to the field.

In their 2004 article, Martin and Vanberg further explored the topic of power-delegation in coalition cabinets and means of addressing them. Their central argument was that the parliament is one of the most important arenas where the coalition partners scrutinize cabinet policy and seek to ‘police the bargain’, i.e. seek to prevent deviations from the Coalition Agreement. Additionally, the authors propose that one of the cabinet parties might be inclined to use existing parliamentary scrutiny mechanisms against the minister from another coalition party to this end (Martin and Vanberg 2004). Though in their work they did not explicitly state that the parliamentary Committee Chairs have a role in this process, their approach definitively helped to shift the general thinking in that direction. Furthermore, and just as importantly, Martin and Vanberg (2004) outlined that the Coalition Agreements are used as a tool to bind the coalition partners to certain concrete policy actions and that these mutual promises are taken seriously and, if needed, ‘policed’ using other IMOMs.

The next step in the study of IMOMs was taken by various authors, with especially valuable contributions regarding the use of the Committee Chairs as IMOMs coming from Kim and Loewenberg (2005) and Carroll and Cox (2012). These authors not only explicitly outlined how the Committee Chairs play a role in addressing the delegation problems in the coalition cabinets, but, more importantly, attempted to establish a model linking how the use of the Committee Chairs interacts with the use of other IMOMs: Junior Ministers (Carroll and Cox 2012) and Coalition Agreements (Kim and Lowenberg 2005). Additionally, and particularly relevant for this dissertation were the extensions of the analytical model used in the Carroll and Cox (2012) study, which, among other things, demonstrated that: a. new democracies are different from the older ones in their IMOM use and have a tendency to use them more intensely; b. the use of IMOMs does not affect all coalition partners equally with smaller coalition partners being overseen more intensely than the larger ones (Carroll and Cox 2012: 229). These aspects are analyzed in greater depth in the empirical sections of Chapter Four (different oversight modalities of smaller and bigger coalition partners) and Chapter Five (different IMOM use in older and newer democracies).

Simultaneously, other authors (Müller and Strøm 1999, Moury 2010; Moury and Timmermans 2006; Indridason and Kristinsson 2013) have devoted their attention to the analysis of the Coalition Agreements. Their collective works have demonstrated that Coalition Agreements are not just empty declarations, but serve as powerful tools to translate the outcomes of the coalition bargaining into policy outcomes (Moury 2010). Additionally, they help to contain the conflicts among the coalition partners that arise due to power delegation problems and diverging preferences and to foster cabinet stability and longevity (Moury and Timmermans 2006). Finally, it was also demonstrated that making

the best possible use of the Coalition Agreements involves a certain learning-curve and coalition partners with time learn how to craft longer, more comprehensive Coalition Agreements which have positive impacts on policy outputs and cabinet longevity (Indridason and Kristinsson 2013; Moury and Timmermans 2006). A more detailed overview of the research on Coalition Agreements is presented in the theoretical section of the Chapter Six. However, it is important to draw attention here to a couple of aspects, which are particularly important for this dissertation: first, the established relationship between the experience using the Coalition Agreements and their length and comprehensiveness. This demonstrates that using IMOMs requires certain skill and experience, which lead to the inclusion of coalition experience as a variable in the analytical model used in this dissertation (see Chapter Two). Second, the establishment of the notion that IMOM use might potentially have consequences on cabinet longevity, which is explored in more detail in Chapter Nine.

It is also important to mention the only study of how IMOMs are used in the Baltic states by Clark and Jurgelevičiūtė (2008). In their article, they showed that in Lithuania cabinet ministers are sometimes ‘double-tapped’ and overseen by both Junior Ministers and the Committee Chairs. Though the authors did not delve deep into the theoretical implications of this finding, it served as a valuable example that sometimes IMOMs can be used in layers, with one IMOM complementing the use of another. The issue of ‘double-tapping’ is explored in greater detail in Chapter Five of the dissertation.

The most comprehensive review of way various IMOMs are used is an article written by Strøm, Müller and Smith in 2010. They collected the existing knowledge from separate studies and put forth an argument that these mechanisms ought to be analyzed and studies together (Strøm, Müller and Smith 2010). It was the first instance where IMOMs analyzed in this dissertation: Committee Chairs, Junior Ministers, Coalition Agreements, and Coalition Committees were discussed together. This study stated that all these mechanisms: 1. are needed because of the same reason – delegation problems in coalition cabinets; 2. serve the same function – mutual oversight between the coalition partners; 3. work towards the same goal – ensure more Pareto-optimal policy outcomes and smoother co-governance among the coalition partners. The authors, however, stopped short of stating that these mechanisms form a single system of oversight and analyzing them as such.

Finally, it is important to note that this dissertation does not cover the full range of IMOMs identified in the previous studies. Strøm, Müller and Smith (2010) also included candidate selection/candidate screening as another IMOM. In this process, the coalition partners analyze the available information on the potential ministerial candidates in order to get a sense if the proposed candidate is up for the job and, potentially, ask the coalition partners to reconsider the nominees that raised some ‘red-flags’. Additionally, Fernandes, Meinfelder and Moury (2016) presented the argument that coalition partners allocate the cabinet

portfolios in a strategic manner and seek to prevent any one partner from monopolizing the control of a particular policy sphere.

These two IMOMs, however, will not be analyzed in this dissertation for two simple reasons: first, there is no variance in the sample regarding how they are used. During the interviews conducted for this dissertation, interviewees from all three Baltic states affirmed that candidate screening is carried out when the composition of the cabinet is decided and certain strategic considerations play a role during the portfolio allocation phase (Masiulis 2014, Smiltens 2016, Lang 2016). In other words, in Lithuania, Latvia and Estonia, these mechanisms are employed in all the coalitions exactly in the manner consistent with the insights from the previous research and there is no cross-cabinet or cross-country variation that could be analyzed further.

Second, these are informal procedures which play a part in a greater portfolio allocation game and, therefore, no tangible data exist about how these measures were carried out. The portfolio allocation phase of the coalition formation is always rather secretive, as the coalition partners meet behind closed doors and do not keep the minutes of these meetings. This makes it almost impossible to study these mechanisms in a systematic manner. Instead, this dissertation focuses on the four mechanisms which are used most commonly: appointing Committee Chairs or Junior Ministers to ‘shadow’ minister from a different coalition party, drafting Coalition Agreements laying out what ought to be done in each policy sphere and creating special Coalition Committees for coalition partners to hash-out their differences and sanction the misbehaving members.

Collectively, these contributions extended and deepened the understanding of how the power delegation in coalition cabinets works, what problems plague the partners in the coalition cabinets, and what measures they take to address them. However, the topic of mutual oversight in coalition cabinets is by no means exhausted and there are still many outstanding issues present in the existing studies. As mentioned, existing studies made efforts to move from studying individual IMOMs to analyzing them as a group. However, in no previous studies they were analyzed as a unified system, in which separate IMOMs are integral parts.

This is a serious shortcoming because even though all IMOMs are used as a means to address power delegation problems in coalition cabinets, by themselves none of these mechanisms is perfect. Though they all satisfy the informality criteria and allow coalition partners to scrutinize each other without ‘rocking the boat’, none of them can individually satisfy the other two criteria for effective oversight institutions outlined in the previous section. Coalition Agreements help coalition partners to agree on major policy decisions in all policy areas and ensure that no action upsetting one or more coalition partners is taken. However, they cannot help to overcome information asymmetries or issue any sort of sanction against agency shirking. Junior Ministers can use their privileged access to information in a ministry to which they are appointed to overcome information asymmetries, but they cannot punish the minister in case

he/she decides to act against the interests of the coalition. Coalition Committees can use various means at their disposal to discipline the misbehaving person, but they do not have means to overcome informational asymmetries. Finally, though Committee Chairs in theory have capabilities to both gather information and issue sanctions, their actions are limited by the rest of the committee. Furthermore, if a coalition is made up of more than two parties, there simply are not enough Committee Chairs to go around.

Because of this, IMOMs are always used together to form a system of mutual oversight. Of course, it is not necessary for all four mechanisms to be used simultaneously, but it is rare that a coalition would use only one of them. After all, it is hard to believe that coalition partners would go through all the trouble assigning Committee Chairs or Junior Ministers to 'shadow' coalition partners without any written or oral Coalition Agreement in place. Or that coalition partners would prepare a Coalition Agreement and then would not organize meetings, as their time in office progresses, to see how its implementation is going.

Hence, it is only natural that IMOMs that are used interactively as a system should be analyzed as such. Therefore, one of the key contributions of this dissertation is a more holistic approach to IMOM use. IMOMs are analyzed here not as individual instruments, but rather as parts of a broader system of oversight between coalition partners. In such a system, each instrument has its own function, benefit, and cost. Though some IMOMs might share certain similarities or overlaps in their functions, one IMOM can never fully be used interchangeably with another. This holistic approach to IMOM is reflected by the fact that the main dependent variable of this dissertation is the overall intensity and pattern of IMOM use, and not that of the individual mechanisms. In the next chapter, which presents an overview of the research on factors that influence the intensity of IMOM use, each hypothesis is formulated for the overall levels of oversight rather than for specific IMOMs.

On a more practical side, this approach provides a different interpretation of some important findings of the previous research. For instance, it considers that inverse correlations which were found between the uses of different IMOMs, especially Committee Chairs and Junior Ministers (Dong Hun & Loewenberg 2005) are caused by certain environmental effects (more on this in Chapter Two) rather than characteristics innate to the very nature of these IMOMs. In the view of this dissertation IMOMs emerge as an answer to the delegation problems in coalition cabinets and are used to an extent needed to mitigate these problems. Hence, a situation when coalition partners 'double-tap' and keep tabs on particularly troublesome ministers using Committee Chairs and Junior Ministers is also rather likely. Furthermore, the logic that Committee Chairs and Junior Ministers can be used as practical replacements for each other runs into substantial difficulties in instances where governmental coalitions are composed of more than two parties and using only Committee Chairs for keeping tabs simply cannot meet the oversight needs of all the coalition partners.

Additionally, another novel contribution of this dissertation is the development of the analytical model which seeks to identify the factors that account for the use of the four IMOMs collectively, which was not attempted by the earlier studies. Finally, this dissertation offers a more nuanced approach to the understanding of IMOM use by supplementing the model with the factors associated with the costs of using IMOMs (see Chapter Two), which was done only in a very small number of previous studies (Indridason and Kristinsson 2013).

Chapter 2: Factors influencing IMOM usage

Most existing research on IMOMs can be divided into two groups: 1. research focusing on determining if various IMOMs were indeed used in coalition cabinets to monitor coalition partners (Strøm, Müller and Smith 2010; Clark and Jurgelevičiūtė 2008; Manow and Zorn 2004; Dong Hun and Loewenberg 2005, etc.) and 2. research seeking to explain what factors account for the use of certain IMOMs (Carroll and Cox 2012; Martin and Vanberg 2004; Lipsmeyer and Pierce 2013). In turn, the latter strand of research has focused almost extensively on the demand side of IMOM use. Their general argument has linked the intensity of IMOM use with the amount of uncertainty in a coalition – the more a coalition party was uncertain about the intentions of their coalition partners, the more it would be inclined to use IMOMs to monitor their actions (Thies 2001). However, recently some authors started emphasizing that there is another side to IMOM use – IMOMs create certain costs to the coalition partners, which in turn limit the extent of IMOM use (Indridason and Kristinsson 2013). This chapter provides a brief overview of this existing research and presents additional factors that are studied in this dissertation. Finally, the chapter presents the list of hypotheses that are tested in this dissertation and its overall theoretical model.

IMOMs and uncertainty in a coalition

In his path-breaking study Thies (2001) identified three factors which could explain the use of shadow Junior Ministers, but also could just as easily be extended to IMOMs as a whole: lack of institutional checks on ministerial autonomy, portfolio salience, and the ideological distance between coalition partners. All of these four factors relate to the demand side of IMOM use, that is to say that each of these factors contributes to the demand that coalition partners might have for IMOMs. For instance, if possibilities are lacking to monitor ministerial activities through parliamentary committees or other institutional instruments, then, naturally, the level of uncertainty in a coalition rises and creates demand for more intensive IMOM use. In a similar way, demand for IMOM use relates to ministerial portfolio salience: coalition partners are more sensitive to the potential losses from ministerial abdication in salient policy areas and, therefore, might feel the need to monitor these areas more closely. Similarly, greater ideological distance between the coalition partners increases the incentives to shirk away from the coalition compromise, thus creating additional demand for oversight.

The three Baltic countries do not, however, vary along the first two of those factors or there is no reliable data to test their influence. Thies (2001) tied the degree of ministerial autonomy with the following: first, structure of the state – ministers have more autonomy in unitary states compared to their federal counterparts. Second, decision making rules in the cabinet – ministers have

more autonomy in cabinets which do not require unanimity in making decisions and where the PM does not have a strong leadership role. Finally, in states with weaker parliaments (and weaker parliamentary committees) the ministers have more autonomy compared to states with strong legislatures.

All three Baltic states are unitary and their parliaments have very similar levels of power compared to the executive, therefore, there is no variance between the Baltic states along the first and third factors. As for the second factor, decision making rules in the cabinet, there is little to no variation between the Baltic states. In all three countries decisions in the cabinet are made either unanimously or via qualified majority vote. That is to say that each ministerial initiative has to be approved by the cabinet before it goes to the plenary stage.

Furthermore, there are no reliable portfolio salience measures which would allow the comparison between the Baltic countries. In his study Thies (2001) relied on the dataset compiled in 1992 by Laver and Hunt, which does not cover the Baltic states. The only existing measure in which the Baltic states are included is composed by Druckman and Roberts (2008). But even it is deeply flawed, as the coverage on the Baltic states ends in year 2000. This makes this data not suitable because, for instance in Latvia in 1999 there were 22 cabinet positions (including deputy cabinet members), while by 2012 the number of these positions has decreased to 14, thus impacting the salience of each ministry in a significant manner. As the number of cabinet positions can change significantly over time and the data does not cover more than half of the years in the sample, this data is not usable. It is hard even to attempt to replicate the salience measurement attempts and acquire evidence through interviews, as the environment in the Baltic states is very dynamic and rapidly changing, which means that portfolio salience varies substantially between one cabinet and the next. Interviewees often struggled to remember what the most salient cabinet positions have been 20 years ago or how they have evolved through time. Finally, even if some of them can put together their version of portfolio salience, that version is often conflicting with other similar accounts.

Instead this dissertation focuses on the last factor identified by Thies (2001) – ideological distance between coalition partners. There are two main reasons for this: 1. unlike with the other two, there is substantial variation both within and between the Baltic states with respect to coalitions' ideological diversity, and 2. this factor was demonstrated to have a significant influence on IMOM use by various other studies (Carroll and Cox 2012; Martin and Vanberg 2004; Dong Hun and Loewenberg 2005). Like other factors from Thies' study, ideological distance affects the intensity of IMOM use by contributing to the uncertainty in a coalition.

Figure 3 shows the ideological positions of parties A, B and C on a uni-dimensional ideological spectrum. When ideological distance is increased, the area of credible compromise diminishes (compare win-sets A-B and A-C) and makes coalition policy both more difficult to achieve and costly to maintain. Based on the veto player approach, a credible win-set cannot increase as the distance between the partners grows (Tsebelis 1999).

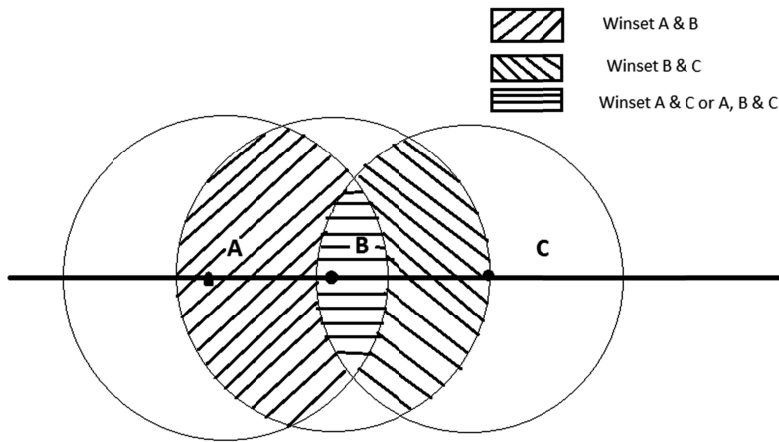


Figure 3: Coalition partners and credible policy space on one-dimensional spectrum
Adapted from Tsebelis 1999

Since an increase in ideological diversity of a coalition increases the probability of ministerial shirking, it also creates the need for more oversight using IMOMs. Furthermore, it would be logical that in such situations it is more likely that more than one IMOM would be used to combat possible agency shirking. For instance, if a coalition is made up of three parties A, B and C, it could be that a minister from party A would be in some form shadowed by representatives from both parties B and C, because otherwise at least one coalition partner would be left in the dark regarding the actions of that minister. As subsequent chapters will demonstrate, such an arrangement is sometimes used in Lithuanian coalitions, when a minister is shadowed by multiple Junior Ministers from different coalition partners. This leads us to our first hypothesis:

H1: As the ideological distance between coalition partners increases, IMOM usage increases.

In addition to those already mentioned, there is one more factor that can significantly contribute to the overall uncertainty in a coalition and consequentially to greater IMOM usage. As Figure 3 indicates, a substantial win-set reduction can occur not only due to increasing ideological distance between coalition partners, but also due to the increase in coalition size. As the number of coalition partners grows and the credible win-set shrinks, it becomes more and more likely that a particular minister will be forced to implement policy which is very different from his/her ideal point. This, in turn, increases the incentives for that minister to shirk from the Coalition Agreement by either refusing to implement it or openly rebelling against it. Second, as the number of coalition partners grows, so do the incentives for them to 'break ranks' to pursue electoral benefits (Mitchell 1999). This leads to the second hypothesis:

H2: As the number of coalition partners increases, IMOM usage increases.

Costs and benefits of using IMOMs for oversight

The previous part of the chapter discussed the factors relating to the demand of IMOM use. These factors mostly contributed to the amount of uncertainty in a coalition and in this way created demand for more intensive reliance on IMOMs. However, the varying levels of demand cannot fully account for IMOM use. At least they cannot explain why coalition partners simply do not 'go to town' with IMOMs and employ every single mechanism possible to their fullest extent. This part of the chapter addresses this issue by analyzing the costs and benefits of using IMOMs as well as factors that could alter the cost-benefit calculation in a given coalition: 1. national institutional contexts that influence the utility of specific IMOMs; 2. whether the cabinet coalition is backed by a minority or a majority; and 3. whether coalition partners have a past history of governing together.

Using IMOMs involves certain costs for two major reasons. First, a willingness to use IMOMs could be interpreted as a sign of distrust between coalition partners that could negatively affect the relationship between them and the longevity of the coalition. Furthermore, these costs could have a tendency to increase with the intensity of IMOM usage: while some amount of oversight measures are likely to be accepted without much resistance, an extensive use of such mechanisms would imply a desire to extensively scrutinize or micro-manage the actions of others.

A second source of costs involves the limited recruiting pool within each coalition partner and the trade-offs of using certain people for certain oversight mechanisms. Each of the people appointed to shadow a minister has to have substantial policy expertise and a considerable amount of loyalty to his/her party. Needless to say, such people are in limited supply in any political party and appointing them to shadow a minister means that they cannot be appointed anywhere else, which creates considerable costs of using IMOMs. Similarly, extensive reliance on Coalition Committees requires cabinet members to devote a significant amount of their time to these meetings, which is costly as well. Finally, even Coalition Agreements have opportunity costs, as each new provision in the agreement limits ministerial autonomy, which can be negatively perceived by the coalition partners.

Each additional IMOM increases the total cost of oversight, while providing diminishing marginal utility. As each IMOM is piled on, it contributes towards an atmosphere of distrust and requires coalition partners to contribute resources that could be used for other means. As IMOM usage intensifies, these costs would grow, since both resources and personnel in each political party are in limited supply, and it gets harder to allocate them for oversight purposes. Meanwhile, as the use of oversight mechanisms intensifies, their utility diminishes, because even the most basic mutual oversight arrangements are sufficient to prevent the most audacious forms of ministerial shirking, but detecting and deterring more delicate instances of agency loss requires disproportionately intensive use of IMOMs.

In other words, IMOM usage is characterized by increasing marginal costs and decreasing marginal gains, as presented in Figure 4 below. Assuming that partners in a coalition are rational actors who would prefer to minimize the uncertainty of coalition governance by employing IMOMs, it stands to reason that they would employ IMOMs to the degree that marginal costs of oversight would not exceed marginal gains and that IMOM intensity and utility would be in an equilibrium.

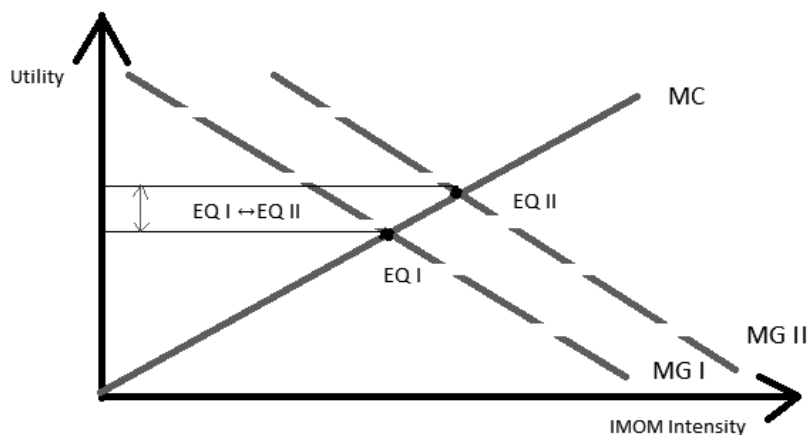


Figure 4: Marginal gains and costs of using IMOMs

However, certain factors can alter cost-benefit calculations of using individual IMOMs or even the overall intensity of oversight and cause the equilibrium point to move as depicted in Figure 4.

It was pointed out that IMOM use is influenced not only by demand for oversight but also by the level of costs associated with IMOM use. Analyzing Coalition Agreements, Indridason and Kristinsson (2013) discovered that these have a tendency to get longer and more detailed over time. Their findings seemed to go against the prevailing logic that coalitions made up of parties with extensive experience of working together should have used IMOMs less, and thus their Coalition Agreements ought to have been shorter and resemble more of an informal gentlemen's agreement. However, it turned out that the experience of working together affects IMOM use in the opposite direction: rather than relying more on mutual trust, coalition partners instead use the existing trust to maximize policy output. Longer and more detailed Coalition Agreements have a better chance to be actually implemented than those containing more abstract pledges (Moury 2010). In other words, it demonstrates that coalition experience has allowed coalition partners to lower the costs of using IMOMs by teaching them a practical lesson that close coordination of policies makes all the parties in a coalition better off. In turn, reduced costs allow coalitions

tion partners to use more IMOMs, which then ought to result in better policy. This leads to the third hypothesis:

H3: Coalitions made-up of parties with more coalition experience use IMOMs more extensively.

Another factor that could significantly alter the costs of IMOM use is whether a governing coalition is backed by a parliamentary majority or not. Being a minority coalition should increase the costs of oversight, which would, in turn, translate into a lower level of IMOM usage. Being a minority coalition means that coalition partners have to constantly make deals with some opposition parties in order to get any legislation through. Usually it involves assigning opposition parties some powerful positions in parliament, such as seats on parliamentary boards or chairmanships of important committees. (Hansen 2014) Furthermore, in some cases such practices can extend beyond parliament and people from opposition parties can also be appointed to Junior Ministerial positions (or at least appointment of Junior Ministers can be coordinated with the opposition parties). This reduces the opportunities for coalition partners to oversee each other via cross-appointments, and this makes oversight more difficult and costly. Furthermore, being a minority coalition also makes the use of Coalition Agreements and committees more difficult, because moving forward with anything requires coordination with opposition parties and often involves fine-tuning legislative proposals to their preferences. This leads to the next hypothesis:

H4: Minority coalitions use IMOMs to a lesser extent than majority-backed coalitions.

Finally, the costs of using IMOMs are affected by the institutional contexts of each state. National institutional contexts mostly affect the usage of individual IMOMs by making them more or less attractive tools for oversight. In different countries similar political institutions have slightly different powers, responsibilities and respond to different rules, thus, altering their utility as IMOMs.

For instance, using Committee Chairs for oversight would depend on a number of factors such as committee strength within the legislative system or proportionality rules that may exist when assigning positions among party groups. The more power that is vested in parliamentary committees, the more attractive they are as tools for mutual oversight. In countries where committees can merely advise the plenary and request information from the executive in a non-binding manner, Committee Chairs would be less appealing as oversight tools, as their powers to acquire information and scrutinize the actions of the executive would be limited. Meanwhile, in countries with more powerful committee systems, Committee Chairs would be more powerful oversight tools because they simply can do more. Another possible factor influencing the attractiveness of using Committee Chairs for oversight is proportionality rules: in some countries these positions are allocated proportionally to all parliamentary party groups, whereas in others their allocation strongly favors governmental parties

(Fernandes 2013). Naturally, in systems where governmental parties control more Committee Chair positions, they are better suited to be used for oversight purposes than in highly proportional systems, simply because the smaller availability of Committee Chairs could mean that using them to shadow a particular minister is simply impossible.

Such national institutional particularities could mean that certain countries would have a strong preference for certain IMOMs over others. Furthermore, in certain institutional or cultural contexts certain oversight tools as, for instance, appointment of Junior Ministers, could be perceived as being too intrusive and not be used altogether. However, in such situations coalitions would still be facing persisting demand for IMOM use. Therefore, it is only natural that in such cases coalition partners would go avoid certain IMOMs that are perceived as being too intrusive, but instead would compensate by using other IMOMs to a larger extent. This leads to the final hypothesis:

H5a: Specific features of the national institutional contexts in different countries do not affect the overall IMOM use.

H5b: However, the specific features of national institutional contexts in different countries affect the popularity of individual IMOMs.

The Model

As discussed in the previous chapter, to resolve the challenges associated with inter-party delegation, coalition cabinets need mechanisms to ‘keep tabs’ on each other that would satisfy three criteria: 1. being able to overcome information asymmetries, 2. being able to veto agents’ actions and 3. be informal. To this end, coalition cabinets employ a range of mechanisms that in addition to their formal functions allow for such ‘keeping tabs’. Existing literature has identified a number of such measures four of which: 1. cross-appointments of Junior Ministers and 2. parliamentary Committee Chairs, 3. Coalition Committees, and 3. Coalition Agreements are analyzed here. However, using IMOMs can be problematic, as no single mechanism can fully meet the three above-mentioned criteria for oversight mechanisms in coalition cabinets. Therefore, IMOMs can only be used in groups as comprehensive systems of oversight in coalition cabinets. This dissertation differs from earlier work on IMOM use in a way that it analyzes IMOMs in exactly such manner – not individually, but as a part of a broader system. Figure 5 below presents the model used in this dissertation.

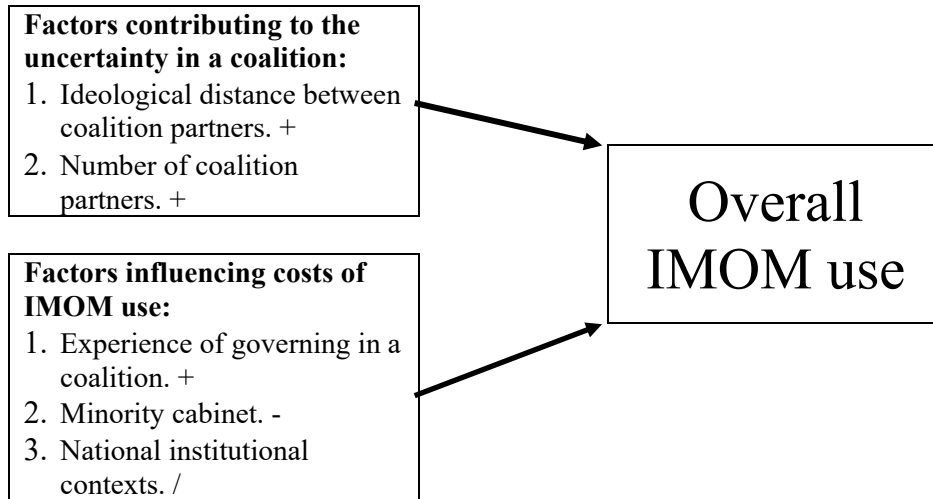


Figure 5: The Model

Two sets of factors are considered in this dissertation that could affect the usage of IMOMs: factors contributing to the amount of uncertainty and delegation problems in a coalition and factors influencing the costs and benefits of mutual oversight. Factors that belong in the first set are the number of parties in a coalition cabinet and the policy distance between the coalition partners. Both these factors positively contribute to the delegation problems in coalition cabinets and, therefore, increase the demand for oversight.

The second set of factors includes national institutional contexts, minority coalitions and learning effects. National institutional contexts can increase or decrease the usefulness of particular IMOMs and have a significant impact on the usage of such IMOMs. However, it should not affect the overall level of IMOMs used. Minority coalitions have to constantly broker deals with opposition parties in order to pass any legislation, and to them mutual oversight is more difficult. Hence, we can expect the levels of IMOM usage to be lower in such scenarios. Finally, we can expect that the experience of governing in a coalition would affect the IMOM usage in a positive way, because with increased experience we can expect coalition partners to start perceiving IMOMs not as signals of mistrust, but rather as means of preserving peace among the coalition partners.

PART II: IMOMS IN THE BALTIC STATES

Chapter 3: Coalitions in the Baltic states

This part is dedicated to the usage of informal mutual oversight mechanisms in the Baltic states. It begins with an overview of coalition cabinets in the Baltic states between 1992 and 2012, the rationale for the case selection and the key descriptive statistics regarding Baltic coalition governments. It also briefly presents the main variables and their operationalization as well as methods used in the dissertation. Chapters Four to Seven are dedicated to the use of individual IMOMs in the Baltic states. Each chapter follows a similar template: the first part describes the IMOM in question, the second part discusses the costs and benefits of using it, the third part presents an overview of its use in the Baltic states and the effect of national institutional contexts and finally the fourth part explores its relation with the factors identified in the previous part.

Case selection

This dissertation analyses IMOM use and the factors affecting it in the three Baltic states: Estonia, Latvia and Lithuania between 1992 and 2012. The year 1992 was chosen as a starting point, since by then all three Baltic states had put in place definitive constitutional frameworks and had held their first parliamentary elections after the restoration of their independence. From then on, this dissertation maps out how the coalition cabinets functioned in these states over the span of two decades until 2012. The year 2012 was chosen as the end-point for the two reasons: first, it allows to capture two equally-long, distinct periods in the Baltic states: institution building and democratic consolidation which lasted until roughly 2003–4 and then another ten years of stable democracy. Second, 2012 was chosen as the end point because it is much more difficult to collect data on incumbent cabinets, as high-ranking cabinet members: ministers and committee chairs usually do not agree to do interviews and share information on the incumbent coalition. Therefore, this dissertation looks at the coalition cabinets which were formed in the Baltic states between 1992 and 2012. That means that rather than having the same strict cut-off points for the three Baltic states, the period of analysis slightly differs for each of the Baltic states. For instance, since in Lithuania the first coalition cabinet was formed in 1996 and there was a parliamentary election held in 2012, the actual period analyzed is between 4th December, 1996 and 26th November, 2012, while in Estonia it covers the period between 21st October, 1992 when the first coalition cabinet after 1992 took office and 26th March, 2014, when the last coalition cabinet formed prior to 2012 left office.

The three Baltic states: Estonia, Latvia, and Lithuania were chosen for variety of reasons. First, they offer a very good opportunity to study how IMOMs developed in newly democratized countries. Many other post-socialist

countries in Central and Eastern Europe already had many of their political institutions in place when they went through democratic and market transitions in the 1990s and had no reason to immediately overhaul these institutions. Meanwhile, the Baltic states upon re-establishing their independence had to create their institutions virtually from scratch. This allowed them to adopt many new institutional innovations and best practices (such as a ‘working parliament’ format with a strong parliamentary committee system). Analyzing the Baltic states and the functioning of their political systems since the restoration of independence offers an interesting insight into how these innovations functioned and helped to shape the institutional environment around them.

Second, the Baltic states are an interesting sample for political scientists because they offer substantial variation but at the same time they share many key characteristics. Since the histories of the Baltic states has followed similar trajectories since 1795, when their territories became part of the Russian Empire, the Baltic states share a number of cultural and societal characteristics, which gives political scientists a chance to carry out comparative analysis without worrying too much about the issue of environmental effects or externalities. In other words, they offer a very good sample for most-similar-systems design. Naturally, this does not mean that they are identical, but at the same time, comparing them is a bit less problematic than, for instance, the United Kingdom, France, and Germany, where such historical and cultural differences are paramount.

Despite sharing many background characteristics, the Baltic states demonstrate substantial variation in areas which are of interest to this dissertation. First, they differ in terms of average size of coalition governments: in Estonia on average a governmental coalition is made-up of 2.4 parties, in Lithuania 2.75, and in Latvia 3.8. In addition, the Baltic states also vary in terms of the ideological distance between the coalition partners. In Lithuania and Latvia governmental coalitions are usually formed by the parties on the same side of the ideological spectrum, whereas in Estonia it is not at all uncommon to form ‘rainbow’ coalitions between left and right of center parties. It is also important to stress here that while cabinets in Lithuania and Estonia usually alternate between those leaning more to right and those leaning more to the left, in Latvia all the cabinets were formed by center-right wing parties.

Finally, Latvia and Estonia are parliamentary democracies, whereas Lithuania is semi-presidential. This means that the president in Lithuania has more power and influence during the government formation process than in the other two states, where president’s role in this process is mostly ceremonial. In Lithuania a cabinet can only assume office if it is *in corpore* nominated by the president and passes the vote of investiture in the parliament. Therefore, a president, though not at liberty to determine the composition of the cabinet, can have substantial influence over which politicians are nominated for a cabinet

position¹. Such influence of an external actor could potentially alter the dynamics inside a cabinet and thusly influence the way IMOMs are used.

Coalition cabinets in the Baltic states

During the two decades (1992–2012) analyzed in this dissertation an absolute majority of cabinets in the Baltic states were coalitions. The only exceptions were the Lubys, Stankevičius and Šleževičius cabinets in Lithuania, which were made up of non-partisan technocrats and members of a single party – the Democratic Labor Party (LDDP). These cabinets were in power in the early 1990s and from 1996 onwards all cabinets in Lithuania were coalitions. During these two decades a total of 46 cabinets were in office in the Baltic states: 13 in Estonia, 21 in Latvia and 12 in Lithuania.

Of course, these numbers are a bit arbitrary, as there is no universal definition of what constitutes a cabinet change. One approach to this would be to simply count the number of times when a prime minister has been sworn into office, but this measure is too crude and cannot really capture more sensitive dynamics of coalition cabinets. This is bad because constitutional provisions in the Baltic states allow for a significant number of ministers to change without the need for cabinet to pass through the vote of investiture anew. In some extreme cases, this allows for a junior coalition partner to be removed from cabinet or replaced without the formal investiture vote (Pettai, Auers, Ramonaitė 2011). Therefore, this dissertation takes a more nuanced approach to counting cabinets, by adopting the definition of cabinet change used in the ParlGov database (Döring and Manow 2016). It counts a new cabinet, if a partisan composition of a coalition changes or a PM changes. That means that the cabinet change is registered when: 1. a coalition partner is thrown out/ replaced; 2. a new PM takes office; or 3. the cabinet has to pass through the vote of investiture anew. The same applies if a coalition parliamentary party group (PPG) splits and some members leave the coalition. However, if an individual minister is replaced for any reason by a member of the same party, then it does not count as a cabinet change. Additional advantage of using ParlGov definition of cabinet change is that it allows to integrate the IMOM data collected by the author with the ParlGov database containing descriptive statistics of parties in parliament and the make-up of coalition cabinets.

Out of cabinets that governed the Baltic states in this period between one-third and half of the cabinets were terminated due to the end of the legislative term (7 in Latvia, 6 in Lithuania, and 5 in Estonia) and the rest collapsed due to some sort of internal tensions or scandals in the coalition. It is worth noting that

¹ For instance, it is not uncommon for a president to ask the potential PM to replace certain ministerial candidates with others before the president presents the full cabinet to the parliament for the investiture vote. Similarly, such things can also happen when a single cabinet member is being replaced mid-term. *Lietuvos Rytas* 2015 05 10 <<http://lietuvosdiena.lrytas.lt/aktualijos/politiku-kadrilis-apie-svietimo-ir-mokslo-ministro-kede.htm>>

the relatively high number of legislative periods in Latvia occurred due to two major reasons: first, originally, the length of the parliamentary term was set at three years before it was later expanded to four (this means that more elections took place during the two decades under question), and, second, in 2011 the Latvian parliament was dismissed early by president Valdis Zatlers barely a year after the previous parliamentary election.

The most important descriptive statistics of the cabinets in the Baltic states are presented in the Table 2 below.

Table 2: Baltic coalition cabinets – descriptive statistics

Country	Number of cabinets 1992–2012	Cabinets per legislative period	Av. number of parties in a coalition*	Av. measure for coalition diversity**
Estonia	13	2.16	2.4	1.19
Latvia	21	2.65	3.8	1.02
Lithuania	12	2.4	2.75	.98

*This measure counts electoral alliances as a single party.

** The measure was computed based on Comparative Manifesto Project data. It measures the mean distance between the coalition formateur and coalition partners. See section “Main variables and operationalization” for more information on how this measure was computed.

Data coverage

Table 3 presents a list of data collected for this dissertation. In some cases, missing data is a result of happenstance. For instance, parts of the Coalition Agreement of the Paksas II cabinet are simply missing. Party members think that these documents were lost when party headquarters were moved. The fact that both parties which formed that cabinet (the Liberal Movement of Lithuania and the New Union) have ceased to exist, makes tracking down the original documents nearly impossible. Additionally, some of the data on Junior Ministers could not be collected either because government institutions did not respond to requests to provide data (e.g. Ministry of Internal Affairs of Lithuania) or because they were in the process of digitalizing their archives and simply could not locate the required data (e.g. Ministry of Social Affairs and Labor in Lithuania). Finally, sometimes cabinets that were in office for a brief period of time, especially ‘caretaker’ cabinets which are tasked with keeping order until a parliamentary election (e.g. Šķēle III in Latvia) present another challenge: they are often omitted from parliamentary websites or other publicly available official data sources. Because of this, information on the appointments of Committee Chairs, Junior Ministers, and evidence of Coalition Agreements had to be pieced together from a variety of different sources, and was often incomplete.

Table 3: Data coverage

Country	Cabinet	Date	IMOMs				Measure for ideological distance
			Committee Chairs	Junior Ministers	Coalition Agreements	Coalition Committees	
EE	Laar I	1992–4	✓	✓	✓	✓	✓
EE	Vähi I	1995	✓	✓	✓	✓	✓
EE	Vähi II	1995–6	✓	✓	✓	✓	✓
EE	Vähi III	1996–7	✓	✓	✓	✓	✓
EE	Siiman	1997–9	✓	✓	✓	✓	✓
EE	Laar II	1999–2002	✓	✓	✓	✓	✓
EE	Kallas	2002–3	✓	✓	✓	✓	✓
EE	Parts	2003–5	✓	✓	✓	✓	✓
EE	Ansip I	2005–7	✓	✓	✓	✓	✓
EE	Ansip II	2007–9	✓	✓	✓	✓	✓
EE	Ansip III	2009–11	✓	✓	✓	✓	✓
EE	Ansip IV	2011–14	✓	✓	✓	✓	✓
LT	Vagnorius	1996–9	✓	✓	✓	✓	✓
LT	Paksas I	1999	✓	✓	✓	✓	✓
LT	Kubilius I	1999–2000	✓	✓	✓	✓	✓
LT	Paksas II	2000–1	✓	✓	✓	✓	✓
LT	Brazauskas I	2001–4	✓	✓	✓	✓	✓
LT	Brazauskas II	2004–6	✓	✓	✓	✓	✓
LT	Brazauskas III	2006	✓	✓	✓	✓	✓
LT	Kirkilas	2006–8	✓	✓	✓	✓	✓
LT	Kubilius II	2008–10	✓	✓	✓	✓	✓

Country	Cabinet	Date	IMOMs				Measure for ideological distance
			Committee Chairs	Junior Ministers	Coalition Agreements	Coalition Committees	
LT	Kubilius III	2010–12	✓	✓	✓	✓	✓
LV	Godmanis I	1990–3	-	✓	-	✓	-
LV	Birkavs	1993–4	✓	✓	✓	✓	✓
LV	Gailis	1994–5	✓	-	✓	✓	✓
LV	Šķēle I	1995–7	✓	✓	-	✓	✓
LV	Šķēle II	1997	✓	✓	-	✓	✓
LV	Krasts I	1997–98	✓	✓	✓	✓	✓
LV	Krasts II	1998	✓	✓	✓	✓	✓
LV	Krištopans I	1998	✓	✓	✓	✓	✓
LV	Krištopans II	1999	✓	✓	✓	✓	✓
LV	Šķēle III	1999–2000	✓	-	-	✓	✓
LV	Bērziņš	2000–2	✓	✓	✓	✓	✓
LV	Repše	2002–4	✓	✓	-	✓	✓
LV	Emsis	2004	✓	✓	✓	✓	✓
LV	Kalvītis I	2004–6	✓	✓	✓	✓	✓
LV	Kalvītis II	2006	✓	✓	✓	✓	✓
LV	Kalvītis III	2006–7	✓	✓	✓	✓	✓
LV	Godmanis II	2007–9	✓	✓	-	✓	✓
LV	Dombrovskis I	2009–10	✓	✓	✓	✓	✓
LV	Dombrovskis II	2010	✓	✓	✓	✓	✓
LV	Dombrovskis III	2010	✓	✓	✓	✓	✓
LV	Dombrovskis IV	2011–14	✓	✓	-	✓	✓

Main variables and their operationalization

There are five dependent variables used in this dissertation: four for individual IMOMs and one aggregate measure for IMOM use. The measure for Committee Chairs shadowing ministers is designed to range between zero and one. A minister is considered shadowed by a Committee Chair if the main parliamentary committee dealing with that minister's policy sphere is chaired by a person from a different coalition party. The main measure used in this dissertation for this IMOM is the share of Committee Chairs shadowing ministers, which is obtained by dividing the number of the instances of shadowing by the total number of potential showing occurrences (see Chapter Four). Data coverage for this variable is quite good, covering 38 out of 46 cabinets. Data is mostly missing for some of the earliest cabinets (e.g. Godmanis I) or cabinets that were in office very briefly (Šķēle III).

Similarly, the main measure for Junior Ministers shadowing ministers is the share of ministers shadowed by a Junior Minister. It is computed by dividing the number of ministers who have a Junior Minister (vice-minister in Lithuania and parliamentary secretary in Latvia) from a different coalition party working under them by the total number of cabinet members. Data coverage for this variable is also quite good with data on 44 of 46 cabinets. In some cases data is not complete because some ministries (e.g. Ministry of Internal Affairs in Lithuania) refused to share the data and in the case of Estonia this IMOM was simply not used in the majority of the cabinets.

The measure for Coalition Agreements is computed by multiplying two lower level measures: length and precision. Length is measured in pages, while precision measure was hand coded on an ordinal scale. It could acquire one of five values: 0 – totally abstract pledge; .25 – pledge involving general policy steps; .5 – pledge outlying policy measures; .75 – pledge outlying step-by-step policy plan; 1 – very concrete policy program with the tangible steps and estimated costs and benefits. More precise coding scheme and examples can be found in Chapter Six dedicated to the topic of Coalition Agreements.

Due to their inherent secrecy and preference to meet behind closed doors, it is impossible to obtain the data on the activities of the Coalition Committees for each individual cabinet. For this reason, a different approach was taken and instead the same score was assigned to all the cabinets from the same country. Like with Coalition Agreements, activity of Coalition Committees was coded on an ordinal scale with five possible values: 0 – coalition committee does not exist; .25 – Coalition Committee just coordinates the passage of bills; .5 – Coalition Committee coordinates bills and helps to turn abstract pledges in the Coalition Agreement into policy; .75 – Coalition Committee coordinates bills, turns pledges into policy, and leads the response to *ad hoc* challenges; 1 – Coalition Committee can effectively sanction misbehaving members without breaking up the coalition. More detailed coding scheme and examples can be found in Chapter Seven dealing with Coalition Committees.

The final measure on the dependent variable side is the aggregate measure for IMOM use, which is acquired by adding up the values of the four individual measures for IMOMs. More measures of IMOM use such as ‘shadow’ JMs or CCs per coalition partner are used in the chapters dedicated to the use of individual IMOMs. Their operationalization is discussed there.

On the independent variable side, the measures are relatively straightforward. The number of the coalition partners is computed by counting the number of parties which have their members in the cabinet. Parties are counted based on the number of parliamentary party groups. That means that if two parties have separate extra-parliamentary organizations, but form a single parliamentary party group, then they are counted as a single party. Whether the coalition is backed by a minority or a majority is determined by the size of all the coalition parliamentary party groups (PPGs). If they control less than 50% of seats in the plenary (51 – in Estonia and Latvia; 71 – in Lithuania) a cabinet is considered a minority cabinet. Country effects are measured by including country dummies in the regression models.

Coalition experience is computed in two steps: first, for each coalition partner we count the number of instances when the party was a member of a coalition. Second, we compute a mean score for coalition experience from all coalition partners’ scores. Hence, for instance the coalition experience score for Kubilius I cabinet in Lithuania is 2. This is because each of the coalition partners prior to Kubilius I cabinet were part of two coalition cabinets: Vagnorius and Paksas I.

This measure was based on an assumption that being in a coalition gives a party experience which is transferable. That is to say, a party can apply lessons-learned from being in a coalition with one party to a coalition with another. The mean is computed so that coalitions made up of more parties would not automatically receive larger experience score. Similarly, this also works to adequately reflect the situations when one coalition partner is experienced and another is not.

This approach was chosen because it combines simplicity and robustness. One possible alternative to counting coalition experience would be to count dyadic experience scores for each pair of coalition partners. However, such a measure would arguably better reflect the situation when parties which have a lot of experience working together form a cabinet and would allow to differentiate that from a coalition of parties which accumulated their coalition experience separately. However, such a measure would become increasingly complicated in larger coalitions composed of three or more partners. In turn, when such complexity is involved, there is no certain way to ensure the validity of the measure. Since such coalitions are a fairly common occurrence in the Baltic states, it was deemed more appropriate to use a simpler measure.

Finally, the amount of ideological diversity in a coalition is measured using the RILE measure from the Manifesto project database (Lehamn et al. 2016). It uses uni-dimensional left right scale with the qualities of social-progressivism and regulated economy attributed to the left, and social-conservatism and free-

market associated to the right (Budge 2013). This measure was chosen because it offers better coverage of the Baltic states throughout the two decades analyzed. By contrast the closest comparable measure – Chapel Hill Expert Survey (Bakker et al 2015) – does not cover the first half of the 1990s. However, using RILE has certain setbacks, since according to some it captures poorly left-wing parties in post-socialist countries (Mölder 2013). Therefore, the index is “anchored” in the national contexts of the Baltic states by looking at not the position itself, but by measuring the distance between a coalition party and the coalition formateur. This individual level measure is used in some of the chapters addressing issues at the party level. For the most part this dissertation uses cabinet level measure computed by summing all these distances together.

Methods

This dissertation employs a mix of quantitative and qualitative methods. Information about the use of three out of the four IMOMs (CCs, JM, Coal_A) comes from analyzing official records. More specifically, information about the identity and partisan affiliation of the Committee Chairs comes from analyzing publicly available parliamentary committee records. Similarly, information about Junior Ministers is obtained by analyzing personnel data from various ministries. Finally, data on Coalition Agreements was obtained by contacting the political parties directly.

The main method for analyzing quantitative data used in this dissertation is ordinary least squares (OLS) regression. This method was chosen because most of the independent and dependent variables are interval. The rest are dummy variables which can also be fitted to OLS models.

Information on how Coalition Committees function as well as more information about the use of IMOMs in Baltic coalition cabinets was obtained via insider interviews with former or present high-ranking coalition members, mostly either former ministers, Junior Ministers or Committee Chairs. Another function of these interviews was to get a more general narrative about the use of IMOMs in Baltic coalition cabinets to further elaborate the links between the dependent and independent variables used in this dissertation. Interviews were done in a semi-structured format with a pre-prepared list of questions, but also allowing respondents to talk relatively freely and to bring up any topic they considered relevant. This interview format was chosen because it allowed each interviewee to be asked all the relevant questions, while also being able to explore and engage their insider knowledge.

In total nine interviews were performed for this dissertation: four in Lithuania, two in Estonia, and three in Latvia. Though the number of interviews is small, their coverage is quite significant. Interviewees were chosen for their vast experience in high ranking positions as well as their capacity to comment on the inside developments in multiple coalition cabinets. For instance, one of the interviewees – Andrius Kubilius, served as the PM in three cabinets and as

the deputy speaker in parliament for two terms. Overall, taken together, the interviewees had good insider knowledge of the internal dynamics of more than twenty coalition cabinets in the Baltic states.

Furthermore, interview data also helped to acquire real-life stories how the IMOMs actually functioned in practice in the Baltic states. These stories are presented in the four boxes alongside the quantitative evidence in the empirical chapters below. The first box is dedicated to how shadow committee chairs function in Estonia and draws on the experience of Ansip IV cabinet. The second box showcases the difficulties of using shadow junior ministers in Latvia and is based on the experience of Straujuma cabinet. Finally, boxes three and four are dedicated to the functioning of coalition agreements and coalition committees respectively and draw on the experience from Kubilius II and III cabinets.

Triangulation of data

Data in the main dataset is structured taking coalition-cabinet as the main unit of analysis. Cabinet level measures were computed by the author. The N of the final dataset is 46 – the number of coalition cabinets that were in office between 1992 and 2012. Arguably, this number is smaller than some recommendations for OLS regression suggest. However, two main arguments could be made that this method is still suitable for cabinet level analysis.

First, the main reasons why it is recommended to have at least about a hundred observations for OLS analysis is that: 1. otherwise the risk of Type I (false positive) errors is too great; 2. large factor to observation ratio tends to inflate the standard errors. However, in this analysis the risk of Type I errors is minimized by analyzing the full population or making conclusions only about the data that is fed into the analysis. The risk of Type I errors increases if there is a part of the population not included in the sample which could alter the end results. Since this analysis takes all the cabinets in the Baltic states that were in power at the time, omission or sampling bias poses no threat.

Second, another problem with small sample sizes is that in such cases standard errors by default become large and statistical significance of factors becomes hard to estimate. This problem is addressed in two ways. First, reasonably relaxed threshold for statistical significance ($p \leq 0.15$) is maintained. Second, main findings are triangulated between the different data-sources and levels of analysis. An insight or a finding from the statistical analysis of the cabinet-level data is considered significant only if it is supported by statistical analysis of individual level parliament-party data (where the problem with the number of observations does not occur) and analysis of insider interviews. The triangulation of data is one of the most powerful techniques to minimize the concerns about the validity and reliability of findings, when an individual data source is imperfect (Lauri 2011). In turn, triangulation allows to tolerate reasonably low threshold for statistical significance, as the validity of the findings from the statistical analysis is always cross-checked with findings from the other sources.

Chapter 4: Shadowing Committee Chairs

A Theoretical Overview

This part discusses usage of Committee Chairs as IMOMs from a theoretical perspective. First, we discuss the rationale of using Committee Chairs for ‘keeping-tabs’ on cabinet members from the other coalition parties, then we move to providing an overview of the costs and benefits of using Committee Chairs for oversight and finally summarize existing research on how using Committee Chairs for oversight relates to previously identified factors.

One of the reasons why parliamentary committees are created is that through specialization in a particular policy area MPs can overcome information asymmetries between the legislature and the executive (Döring 1995; Strøm 1995). Another reason is that through such systems which allow for simultaneous deliberation of multiple legislative proposals parliaments greatly enhance their efficiency (Strøm 1998). Therefore, it is natural that in many European democracies Committee Chairs are perceived as a ‘counterweight’ to the minister or a check to ministerial power. The Baltic states in this regard are no exception (Šimašius 2014; Spolitis 2014; Holsmer 2016). Hence, it is only logical to start our analysis of the individual IMOMs from the mechanism that is the most obviously suited for such end.

In many European states with stronger committee systems (the Baltic states among them) parliamentary committees have all the means to overcome power-delegation problems. First, as mentioned previously, committees encourage MPs to specialize and become experts in their respective fields. Second, committees have the power to command the executive branch to present all the documents and other information that a committee might need to make a decision. Third, committees can bind representatives from the executive branch to appear before the committee to provide information. Fourth, if a committee considers that the proposed legislation is not in parliament’s best interests, it has a vast array of instruments to either amend the proposal or to dismiss it all together. Standing at the helm of the committee its chairperson can make use of these powers because, as many MPs pointed out, they wield substantial influence over committee’s work². In addition to all of this, Committee Chairs have additional powers to suggest draft agenda to the committee. This basically means that the chair can have a sizable influence over when particular legislative proposals are deliberated, if they clear the committee stage swiftly or meet excessive scrutiny. As Martin and Vanberg (2004) pointed out, Committee Chairs often use these powers to either reward or punish ministers for their behavior.

Because of this, Committee Chairs are in a unique position to monitor the actions of a particular minister and to scrutinize the draft bills produced in that particular ministry. Using Committee Chairs to such end has many benefits: first, Committee Chairs can not only sift through, detect, but also to stop

² Interviews with R. Šimašius, Remo Holsmer, Rein Lang, Edgars Smiltens.

adverse draft bills or initiatives at an early stage. Furthermore, using Committee Chairs to shadow ministers is a way to balance out and share power in a way which is perceived as less intrusive compared to other IMOMs. Some of the high-ranking coalition members interviewed for this dissertation have expressed their distaste for using e.g. Junior Ministers for oversight as to them this seems overly intrusive and signals lack of trust towards a minister (Šimašius 2014). At the same time, such negative sentiments were never expressed towards the chairs of parliamentary committees.

However, due to their unique advantages using Committee Chairs for oversight has some unique costs as well. First, since in most of the cases a single minister can be overseen by only a single Committee Chair, oversight using only Committee Chairs becomes problematic in bigger coalitions composed of more than two parties. Second, as mentioned previously, Committee Chairmanship is usually given to people with large amounts of sectorial expertise and overseeing minister from a different party requires significant loyalty to chair's own party. That is often quite hard to achieve even in larger countries where political parties with substantially larger recruitment pools. Needless to say, parties in the Baltic states often struggle to find people meeting both of these criteria and often have to strike a compromise between partisan loyalty and sectorial expertise.

Previous studies have identified a number of factors that can influence how Committee Chairs are used for shadowing ministers. They have demonstrated that levels of ministerial autonomy, parliamentary committee power, number of coalition partners, coalition's ideological diversity, and learning effects can influence the intensity of shadowing using Committee Chairs in a given coalition.

Naturally, the utility of using Committee Chairs for oversight heavily depends on the powers vested in the parliamentary committees. If the committees are weak, then it simply means that there is less that a Committee Chair can do in terms of information acquisition and, potentially, sanctioning a misbehaving minister. If that is the case, then parties might not be willing to pay the costs associated with using Committee Chairs to that end they will rely on other measures. If, however, committees are strong, then the benefits would outweigh the costs and using Committee Chairs in such manner would increase (Carroll & Cox 2012).

Furthermore, demand for oversight mechanisms will be smaller where the capacity of individual minister to act autonomously is limited. In other words, if in a certain cabinet each policy proposal must be approved by the other partners in a coalition, then the need for oversight diminishes. Meanwhile, if each minister can prepare draft legislation independently and submit it to the parliament on his/her own, then there is a more substantive need to use Committee Chairs for oversight. However, this dissertation will not look into the effect of these factors, because the Baltic states do not vary along these lines: all three Baltic states can be categorized as having strong committee systems (based on Strøm 1998 criteria)³ and as having limited ministerial autonomy (in all three Baltic

³ Based in Strøm 1998, criteria for strong committees include: i. Right to independently select own chair; ii. Ability to hold closed meetings; iii. Committee stage being included before

states cabinet has to approve a legislative proposal by either unanimous vote or qualified majority before it is submitted to the parliament).

As for factors which are analyzed in this dissertation, it has been demonstrated that, if policy distance between coalition partners is small, they will be less inclined to monitor each other this way. Similar policy positions among coalition partners minimizes the chance that one partner's interests would be damaged by the other partner enacting its preferred policy and, hence, the demand for oversight decreases. However, if policy distance is substantial, then, automatically, such demand increases and Committee Chairs are more likely to be employed to monitor partners' actions (Martin & Vanberg 2004).

In addition, using Committee Chairs for oversight might be most rewarding for small coalitions composed of two parties. In such cases Committee Chairs would provide means for partners to share power in all policy spheres. In bigger coalitions Committee Chairs might be less useful, as some partners in the coalition would still be left out of power and influence in certain policy spheres.

Finally, Dong Hun and Loevenberg (2005) have noted that heavier reliance on using Committee Chairs for oversight goes often hand in hand with using longer Coalition Agreements. As discussed in Chapter Two, the main reason that allows the Coalition Agreements to increase in length and level of detail is that with time coalition parties gain experience and learn to tolerate such Coalition Agreements, as they are a necessary evil – they limit ministerial antinomy, but reduce the amount of conflicts in the coalition and increase its longevity. It could be argued that the same principle applies to the shadow Committee Chairs as well. With time coalition partners build tolerance to Committee Chairs playing a role as oversight mechanisms and see them as a 'necessary evil', which results in more intense use of them from coalition to coalition.

Shadow Committee Chairs: Definition and operationalization

There have been many studies which have analyzed how Committee Chairs are used to 'keep tabs' on coalition partners (Strøm et al 2010, Martin & Vanberg 2004; Dong Hun & Loewenberg 2005; Carroll & Cox 2012; Clark & Jurgelevičiūtė 2008). However, in none of them is the precise nature of this relationship between the Committee Chairs and ministers defined and none of them gives clear and precise criteria for operationalization (or any note how their main variables were computed). At the first glance, it might appear that there is no need for this, as the meaning of 'using Committee Chairs to shadow ministers' is pretty straightforward. However, this is not true. In this dissertation Committee Chairs shadowing ministers is understood as chairs of parliamentary committees who are tasked with overseeing the activities of the cabinet minister

plenary deliberation; iv. Right to initiate legislation; v. Right to rewrite bills; vi. Ability to set own timetable; vii. Right to independently gather information by compelling documents or witnesses. Baltic states satisfy all these criteria for strong parliamentary committees.

from another coalition party whose portfolio mirrors that of the parliamentary committee. Yet, operationalizing this concept is quite tricky, as not all parliamentary committees correspond to cabinet portfolios and quite often multiple ministries are matched with a single committee or vice-versa. Figure 6 shows an example of this problematic relationship in the 2010 Latvian Saeima.

Democratic parliaments greatly differ in the extent to which the structure of their parliamentary committee system corresponds to that of the cabinet. Though in the Baltic states such correspondence is quite high, it is never perfect. Some of the parliamentary committees (such as i.e. ‘ethics’ or ‘mandates’) are created to deal with the internal matters of the parliament and do not really play a role in scrutinizing the executive. Others, (such as i.e. ‘legal affairs’ or ‘European affairs’) mostly scrutinize a particular aspect of incoming policy proposals (in this case their conformity to other legal acts and the Constitution and their European dimension) and do not correspond to any of the ministries. Others still are preoccupied with scrutiny of the executive branch as a whole rather than particular ministries (i.e. ‘audit committees’). What is left, are sectorial committees dealing with a particular policy dimension, but even among them correspondence is not absolute.

In some cases, multiple ministries correspond to a single parliamentary committee. For instance, in all three Baltic states matters relating to both education and culture until 2016 were dealt with in a single parliamentary committee, but in two separate ministries. A bit less common is a situation where a single ministry is matched with multiple parliamentary committees. For instance, in Latvia activities carried out by the ministry of defense are dealt with in two parliamentary committees: 1. National security, and 2. Defense, internal affairs and corruption prevention committee. In some cases, a ministry does not even have a clear corresponding parliamentary committee (e.g. transportation) and its legislative proposals are deliberated in multiple sectorial committees. Given all this correspondence between ministries and committees, shadowing becomes quite problematic.

In this dissertation the main measure for shadowing using Committee Chairs is what share of Committee Chairs was shadowing cabinet ministers. This operationalization is grounded in the understanding that Committee Chair positions are strategic resources controlled by the parties (Carroll, Cox, Pachon 2006). Parties can choose the degree to which they allocate their resources: either to match-up their Committee Chairs with their ministers to maximize policy output in a specific policy sphere or to use the Committee Chair to shadow a minister from a different coalition party. In that way, looking at what share of Committee Chairs is dedicated to shadow ministers better captures the choices parties have to make and the alternative costs of these choices better than the other metrics, such as share of shadowed ministers.

If, as shown in Figure 6, a single parliamentary committee corresponds to multiple ministries, then all possible minister – Committee Chair matchups are counted. So, taking the situation in Figure 6 as an example, there were 16 committees in Saeima in 2010. Out of them, six were working on matters unrelated to a particular policy sphere (Legal affairs, ethics, government review, public

expenditure, administrative and European affairs) and are not included in the analysis. The remaining 10 sectorial committees corresponded to the activities of 15 ministries and that resulted in a total of 17 match-ups between Committee Chairs and ministers in Latvia in 2010. This dissertation looks into what share out of the maximum possible minister and Committee Chair relationships a minister was shadowed by the Committee Chair from a coalition partner's party. Correspondence between the ministries and the parliamentary committees was determined by looking into: a) which parliamentary committee deliberates legislative proposals from a ministry and b) to which committee representatives from that ministry are summoned to provide information. This information is obtained from committee agendas.

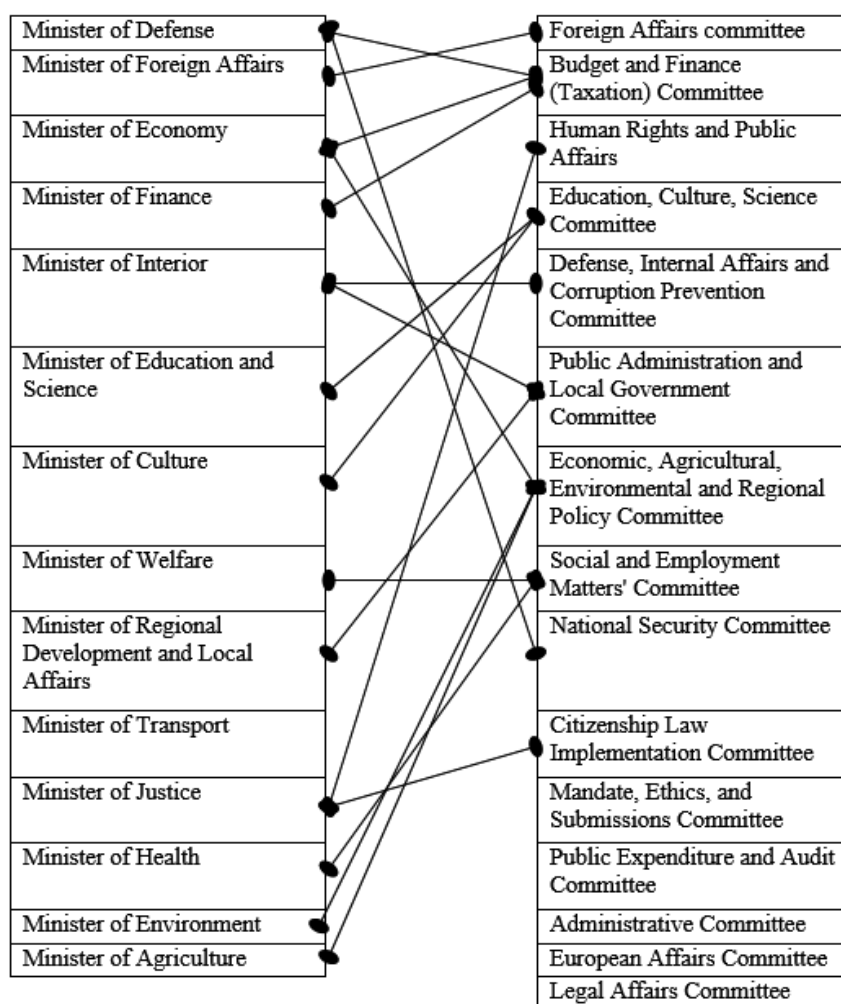


Figure 6. Correspondence between the cabinet positions and parliamentary committees in Saeima in 2010

Shadowing in the Baltic states

This section of the chapter is dedicated to providing basic descriptive statistics on using Committee Chairs for oversight purposes in the Baltic states. Between 1992 and 2012 on average 52% of Committee Chairs were shadowing ministers from other parties in a coalition. As shown in Figure 7, on average the intensity of using Committee Chairs for shadowing was similar in the three Baltic states being slightly higher in Lithuania (58%) and slightly lower in Estonia (41%).

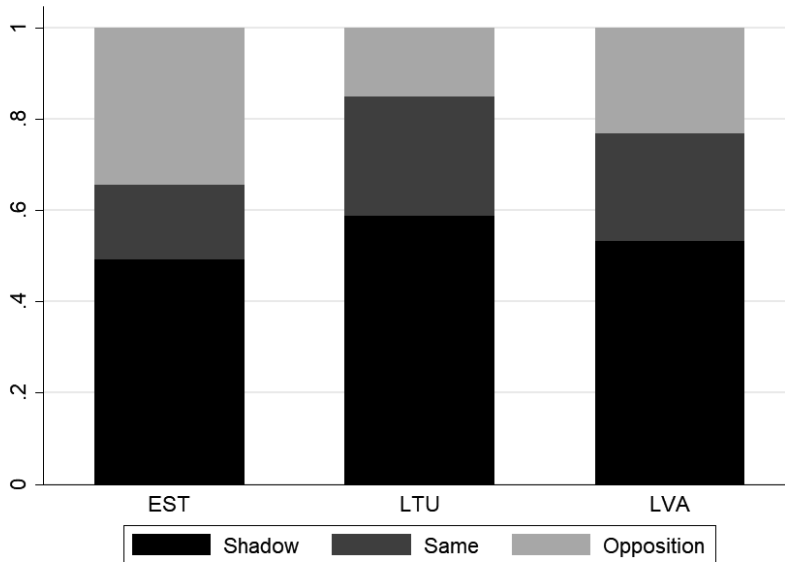


Figure 7: Intensity of Shadowing in the Baltic States

Table 4: Shares of shadowed ministers in European democracies and the Baltic states

Austria	61%	Iceland	25%	Estonia	30%
Belgium	36%	Italy	63%	Latvia	34%
Bulgaria	56%	Netherlands	56%	Lithuania	44%
Czech Republic	60%	Norway	79%		
Denmark	35%	Poland	41%		
Finland	33%	Slovakia	60%		
Germany	64%	Slovenia	50%		
Hungary	62%	Sweden	53%		

Source: Carroll and Cox (2012), pp. 225, for the period between 2001 and 2007.

Compared to other European democracies (Table 4) levels of shadowing in the Baltic states are more or less average. Data in Table 4 on the Baltic states differs slightly from the figures above and below, because it uses shares of shadowed ministers rather than shadowing Committee Chairs. This was done in order to make data on the Baltic states comparable to that on the other countries collected by Carroll and Cox (2012). However, a closer look at the intensity of shadowing in different cabinets (Figures 8–10) reveals a bit more nuanced picture. The intensity of shadowing ministers using Committee Chairs varies greatly between cabinets of a single country. For instance, during the Dombrovskis II cabinet in Latvia just 15% of Committee Chairs were shadowing ministers compared with 90% in Šķēle I (Figure 10).

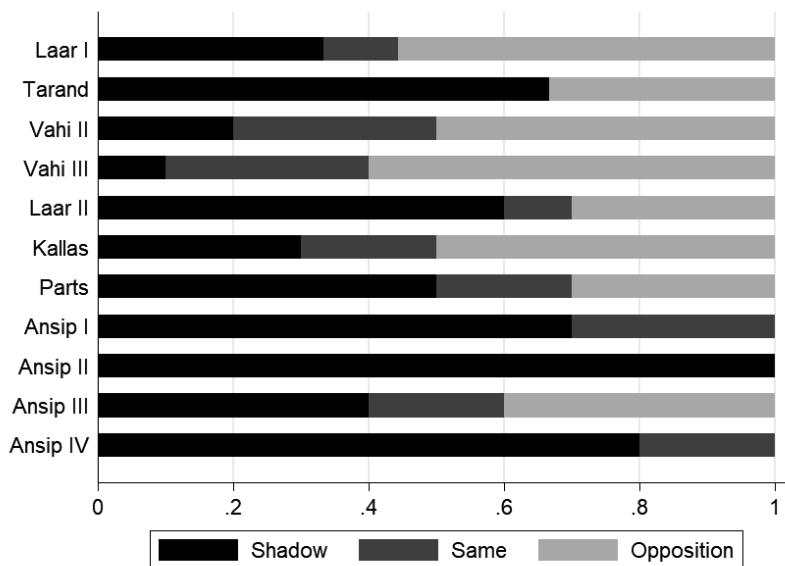


Figure 8: Levels of Shadowing by Cabinet in Estonia

Furthermore, it is worthwhile noting that in all three countries a significant portion of Committee Chairs is matched up with ministers from their own parties. In all three states this figure hovers around 20% (21% in Estonia, 26% in Lithuania, 20% in Latvia). Yet, as Figures 8–10 show this figure also varies substantially between different cabinets in a single country. For instance, in the Kirkilas cabinet in Lithuania this figure was around 10% but in the succeeding Kubilius II cabinet it was over 40%.

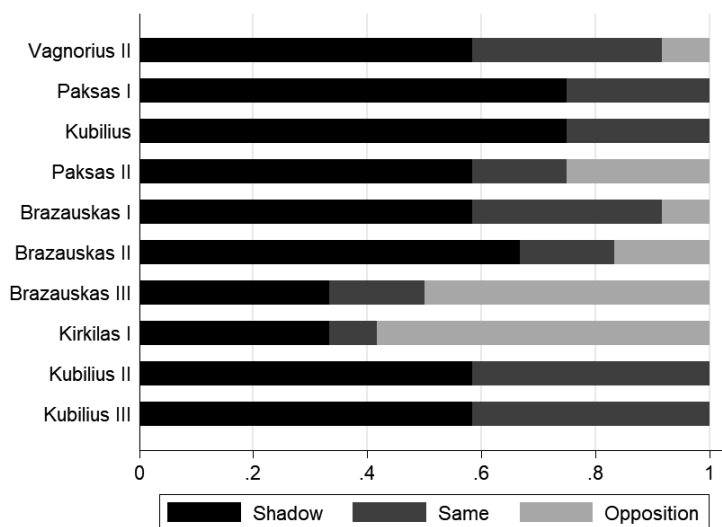


Figure 9: Levels of Shadowing by Cabinet in Lithuania

Naturally shares of Committee Chair positions given to opposition parties vary as well. However, it is clear that on average much higher shares of Committee Chair positions are given to the opposition parties in such instances when the cabinet is backed by parliamentary minority. It could be argued that in doing so minority cabinets trade valuable resources – powerful parliamentary positions – to the opposition parties in exchange for their support on certain issues.

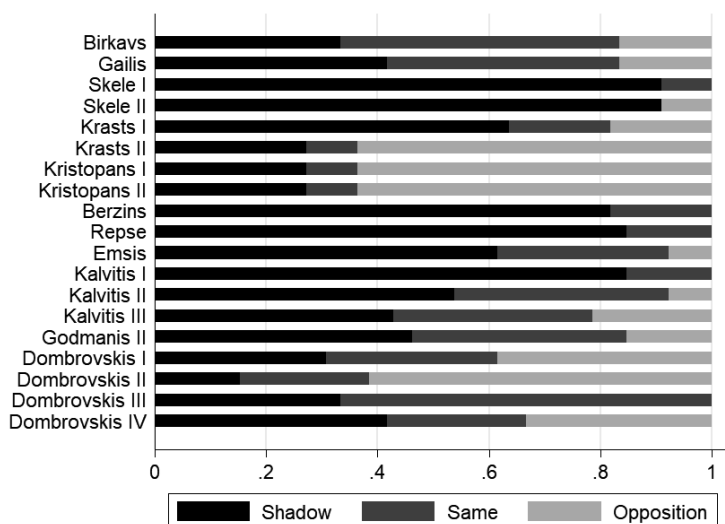


Figure 10: Levels of Shadowing by Cabinet in Latvia

As Box 1 illustrates, using Committee Chairs to shadow ministers has gained a wide acceptance as a reliable tool to share power in a certain sphere between the coalition partners. It is seen as benign and a beneficial mutual oversight instrument, which can actually improve the capacity of the coalition to work together. This can be starkly contrasted to the negative image of the Junior Ministers and negative experiences from using them for oversight (see the next chapter and Box 2).

Box 1. Case study of Ansip IV cabinet

Using Committee Chairs for oversight is a common practice in Estonia, and has accelerated over time. One of the interviewees, who was in the finance committee during Ansip IV cabinet commented that using Committee Chairs for oversight between the coalition partners is a very good thing, and that it has been acknowledged and valued by all the parties that were in coalition cabinets for the bigger part of the independence period. In fact, having a Committee Chair from a coalition party to shadow a minister was even considered to be "natural" and "normal" (Holsmer 2016).

Using Committee Chairs for oversight not only allows coalition partners to share power and prevents one party from monopolizing a particular issue area, it also has many additional benefits. Holmer expressed that there exists higher degree of trust between the members of the same party and, therefore, even without an explicit intent Committee Chairs tend to go easy on the ministers from their own party and just to assume that the ministers have their best interests at heart. Meanwhile, another interviewee confirmed that there exists very little trust between even ideologically close partners in the coalition, such as Reform Party (RE) and Res Publica Pro Patria Union (IRL) or between RE and Social Democrats (SDE). This lack of trust results from the fact that these parties agree on many issues in principle, but disagree on details (Lang 2016).

Therefore, in order to avoid conflicts, coalition partners have to communicate very explicitly and clearly. For instance, Holsmer recalls that Sven Sester from IRL who chaired the Riigikogu Finance Committee during the Ansip IV cabinet always asked very thorough and detailed questions from the Finance Minister Jürgen Ligi. Such a dynamic between the committee chair and the minister not only allowed for effective communication between the coalition partners but also ensured a good relationship between the executive branch and the parliament, as all committee members benefited from the thorough scrutiny by the committee chair. According to Holsmer, such a relationship between the CC and the minister could not have existed if they were from a same party.

Therefore, having a shadow Committee Chair not only helped to share power and foster communication between the coalition partners, but also between the executive and legislative branches in general.

Shadowing using Committee Chairs and its determinants

In this part of the chapter, we look at how the factors identified in Chapter Two relate to the use of Committee Chairs as IMOMs and which of them affect the use of Committee Chairs for oversight in a significant way. There are four regression models: Model 1 including demand side factors, Model 2 including factors relating to the factors influencing the costs of using IMOMs for oversight, Model 3 combining the two sets of factors together, and Model 4 which uses z-standardized variables.

The results of the analysis are presented below in Table 5. They demonstrate that one factor – number of coalition partners has a significant positive effect in all models. Minority cabinet variable has a significant negative effect in Model 2. Country variables have significant effects in Models 3 and 4. Finally, ideological distance variable is also significant in Models 3 and 4, but its value is negative – the effect goes in a different direction than expected. Though Model 4 which features z-standardized versions of the factors show that the effect of this variable is the weakest, the fact that the effect goes in the opposite direction than expected merits further analysis.

Table 5: Shadowing using Committee Chairs analysis' results

	Model 1	Model 2	Model 3	Model 4
Ideological diversity	-.04(.06)		-.11* (.06)	-.07* (.04)
Number of coalition partners	.11*** (.03)		.14*** (.03)	.24*** (.05)
Coalition experience		.01 (.02)	.011 (.018)	-.01(.02)
Minority cabinet		-.2*** (.1)	-.1 (.07)	-.1 (.07)
LT		.002 (.15)	.2**(.1)	.2**(.1)
EST		-.04 (.1)	.19** (.09)	.19** (.09)
Const.	.15* (.08)	.51*** (.1)	.02 (.14)	.4***(.07)
N.	46	46	46	46
R ²	.29	.12	.35	.35
p values: * p≤0.15; ** p≤0.1; *** p≤0.05				

Ideological position and Committee Chairs

In this part we go down to the level of individual parties and see how the ideological position of a party and the size of its group in parliament affect the overall shares of Committee Chairmanships a party receives, and how that relates to mutual oversight between coalition partners⁴. This section shows that parties ideologically more distant from the coalition formateur receive fewer Committee Chairmanships than ideologically closer parties of the same size. Furthermore, the size of the parliamentary party group (PPG) also matters, as bigger parties often choose to pair up their ministers with friendly Committee Chairs from the same party, while ministers from smaller parties are more likely to be overseen by a shadow Committee Chair, just as well as Committee Chairs from smaller parties are more likely to shadow a minister from a different party.

Table 6: Effects of size and ideology on shares of Committee Chair positions

	Model 1	Model 2
PPG size	1.2*** (.09)	1.4*** (.11)
Ideological position	-.17** (.06)	.1 (.1)
Size*Position		-1.96** (.67)
Minority cabinet	-.01 (.02)	-.004 (.02)
LT	-.01 (.02)	-.01 (.02)
EST	-.02 (.02)	-.03 (.02)
Const.	.02 (.02)	-.01 (.03)
N	260	252
R2	.44	.46
p values: * p≤0.05; ** p≤0.01; *** p=0.00		

Data in Table 6 shows how the size of a PPG and its ideological position affect the shares of Committee Chair positions a party receives. Even when controlling for minority cabinets and country effects, both factors for party's ideological position in Model 1 and the interaction term in Model 2 were significant, which can be interpreted as more ideologically distant parties receiving fewer Committee Chair positions than their ideologically more moderate peers.

⁴ An earlier version of this analysis was published in 2016 (Pukelis 2016). Certain differences between the results published in the article and those presented here mostly result from the fact that the article uses Chapel Hill Expert Survey (Bakker et al. 2015) data on parties' ideological position and here Manifesto Project Data (Lehman et al 2016) is used for the same variable. As explained in the previous chapter, this choice was primarily motivated by the fact that Manifesto project offers better data coverage for the Baltic states than the Chapel Hill Survey.

This is significant because it demonstrates that the parties' ideology does affect the way mutual oversight functions in coalition cabinets in the Baltic states, but the effect of party's ideological position is not as straight-forward as in Western European cabinets, where ministers from ideologically distant parties are simply more likely to be overseen by a shadow Committee Chair (Carroll & Cox 2012; Dong Hun & Lowenberg 2005). In the Baltic states instead of simply being overseen more, ideologically more distant parties are suppressed during the portfolio allocation phase, which, in turn, means that these parties will have fewer instruments to affect coalition policy than their bigger and/or ideologically more moderate counterparts.

What determines who oversees whom?

In the previous section of the chapter, we analyzed cabinet-level features. In other words, in what kind of coalition cabinets Committee Chairs are shadowing ministers more intensely. In this part, we delve into party-level factors, in order to see, if certain cabinet parties are shadowed more intensely than others. In this section, in order to get a complete picture, we look into three dependent variables: 1. share of party's Committee Chairs shadowing ministers; 2. share of party's ministers shadowed by Committee Chairs; and 3. share of party's Committee Chairs matched with the ministers from the same party.

The aim of this exercise is to see how different coalition partners are using IMOMs and whether IMOMs are used more intensely on certain type of coalition parties than on others. To this end, we run regression models on all three above identified dependent variables, using the size of coalition PPG, its ideological distance from the formateur, and country dummies as factors. Results of the analysis are presented in Tables 7–9 below.

Table 7: Effect of PPG size on share of Committee Chairs shadowing ministers

	Model 1	Model 2
PPG size	-1.23** (.34)	-1.44*** (.35)
Ideological position	.03 (.22)	.03 (.23)
Minority cabinet		-.09 (.08)
LT		.19* (.08)
EST		.14 (.08)
Const.	.94*** (.09)	.92*** (.09)
N	103	103
R ²	.12	.17
p values: * p≤0.05; ** p≤0.01; *** p=0.00		

Table 8: Effect of PPG size on share of ministers shadowed by Committee Chairs

	Model 1	Model 2
PPG size	-.68* (.3)	-.78* (.3)
Ideological position	.06 (.21)	.06 (.2)
Minority cabinet		-.11 (.07)
LT		.18* (.07)
EST		-.01 (.07)
Const.	.58*** (.07)	.58*** (.08)
N	111	111
R ²	.04	.11
p values: * p≤0.05; ** p≤0.01; *** p=0.00		

Table 9: Effect of PPG size on share of minister + CC combinations

	Model 1	Model 2
PPG size	1.54*** (.31)	1.95*** (.3)
Ideological position	-.32 (.23)	-.34 (.22)
Minority cabinet		.01 (.06)
LT		-.31*** (.08)
EST		-.22** (.07)
Const.	.03 (.08)	.08 (.08)
N	95	91
R ²	.27	.39
p values: * p≤0.05; ** p≤0.01; *** p=0.00		

The results of the regression analysis indicate that the ideological position of a coalition party does not have any influence on how intensely the ministers from that party are overseen or on what portion of party's Committee Chairs are shadowing ministers. On the contrary – the main factor determining how intensively party's ministers are overseen is its size. Similarly, the size of the PPG is the most influential factor in explaining what portion of party's Committee Chairs were shadowing ministers or matched up with members of their own party.

The size of the PPG is negatively associated with the share of a party's ministers that were shadowed by coalition partner's Committee Chairs and the share of Committee Chairs that were shadowing ministers. It is positively associated with the share of minister + Committee Chair combinations. These results can be understood as evidence that not all coalition partners are equally interested in oversight. Bigger parties in a coalition prefer to have more minister + Committee Chair combinations or, in other words, pair up their ministers with

friendly Committee Chairs. Meanwhile, smaller parties mostly use their Committee Chairs for oversight and they mostly oversee ministers from other small parties in a coalition.

This indicates that senior partners in the coalition are inclined to use their Committee Chairs to help their ministers to ‘push’ desired legislation through parliament, while delegating the oversight duties to the junior partners in the coalition, who then often are tasked to oversee each other. Interviewees affirmed that such strategic placement of the Committee Chairs does indeed occur and that senior partners in a coalition strategically pursue minister + Committee Chair combinations during the portfolio allocation phase (Smiltens 2016; Holsmer 2016; Kubilius 2014).

Quantitative evidence suggesting that ministers from bigger parties in a coalition are significantly less likely to be shadowed by a coalition partner have been observed in previous studies (Carroll and Cox 2012). However, previously this point was only mentioned in passing and the authors did not pursue it any further. There are a number of reasons for this: first, this observation was only a side – finding in articles dedicated to determining whether oversight between coalition partners is carried out by appointing watchdog Junior Ministers or Committee Chairs at all. Second, the authors collected only quantitative evidence to test their hypotheses and, therefore, could not explore such new findings in greater depth (Carroll and Cox 2012). One of the most valuable contributions of this dissertation is that it demonstrates that senior and junior coalition partners use committee chairs for different ends and in different ways. Particularly valuable are the insights gained from the insider interviews demonstrating that bigger parties in the coalition attach more value to being able to ‘push’ desired legislation through with the help of a minister and a Committee Chair in a particular policy area than to overseeing the activities of junior coalition partners. Meanwhile, the junior coalition partners are mainly responsible for mutual oversight using CCs and they are mostly tasked with overseeing each other.

Summary

This chapter has analyzed how the chairs of parliamentary committees can be used as IMOMs and how they have been used in this capacity in the Baltic states between 1992 and 2012. Committee Chairs make useful IMOMs because in parliamentary democracies with strong committee systems (such as in the Baltic states) a Committee Chair is a natural counterweight to the minister and has all the means to check ministerial power. Chairs preside over committees which can request relevant information from the corresponding ministries and summon any witnesses needed to carry out committee functions. Furthermore, committees can terminate draft legislation or amend it to their liking, if they think that is needed. All this means that committees have tools at their disposal to combat the power delegation problems - information asymmetry and possible

agency shirking. In addition to this, Committee Chairs also have substantial control over committee's agenda, which allows the chair to grant certain bills easier passage through the committee stage, while scrutinizing other bills more carefully.

However, with all its utility this IMOM is also quite costly. On the one hand, there are all the costs associated with the use of any IMOM: signaling the lack of trust, creating friction among coalition partners, etc. Yet with Committee Chairs there are some unique costs as well. These costs arise from the fact that being a Committee Chair requires two things: substantial sectorial expertise and party loyalty. Even in bigger countries in Western Europe parties at times struggle to find people who would possess these two qualities and in smaller Baltic states this task becomes even more difficult. Though, using Committee Chairs to 'keep tabs' on ministers allows two parties to share power in a given policy sphere. However, in bigger coalitions composed of three or more parties using this IMOM becomes problematic as some parties are simply left out.

Nonetheless this IMOM is quite popular in the Baltic states. Overall, slightly more than half of all Committee Chairs that took office between 1992 and 2012 were shadowing ministers from coalition partner's parties. Analysis has shown that out of the previously identified factors cabinet type, the number of coalition partners, and country effects have a significant effect on overall intensity of shadowing using Committee Chairs at the cabinet level.

That does not mean that ideological distance, which was significant only in some of the models does not come into play at all, rather its effect is indirect. The last section of this chapter demonstrated that ideologically more distant parties usually receive fewer Committee Chairmanships than more moderate parties of the same size and, thus, their abilities to use Committee Chairs for oversight (or indeed any purpose) are severely constrained. Finally, this chapter has demonstrated that not all coalition parties are equally interested in using Committee Chairs for oversight. Senior coalition partners are more likely to acquire minister + CC combinations to ensure that their ministers could get draft legislation through the committee state more easily. Meanwhile, junior coalition partners are more likely to use their Committee Chairs to shadow ministers and have their ministers shadowed by Committee Chair. This could be interpreted in a way that oversight duties are outsourced to junior coalition partners.

Chapter 5: Shadowing Junior Ministers

In this chapter we discuss another well-studied IMOM, the use of Junior Ministers to keep tabs on coalition partners. As explained previously, Thies' (2001) study of Junior Ministers was one of the earliest attempts to tackle the issue of mutual oversight in coalition cabinets, and since then the use of this particular IMOM has been quite systematically researched. This is not surprising because Junior Ministers (JM) are some of the most effective oversight vehicles. JMs can use their position inside a ministry to get access to privileged information, and issues arising from existing regulation or the implementation of reforms. They are also able to keep an eye on ministerial activities to ensure that the minister respects the Coalition Agreement. In other words, though Junior Ministers lack the capacity to sanction the misbehaving actors by him/herself, the unique informational advantages associated with this position make it one of the most attractive IMOMs.

However, this general logic does not appear to hold true in the Baltic states. The main finding of this dissertation is that, although all three states have experimented with using Junior Ministers, their use has been mired in controversy and using them for oversight has never fully taken root. In Estonia this position was used for barely two years (and never for overseeing coalition partners) before eventually being abolished, and in Latvia and Lithuania using Junior Ministers for oversight has been sporadic at best. The main reason for this appears to be that the coalition partners perceive the costs of using Junior Ministers for oversight to be too high. This occurs due to a negative public perception of this position formed by the media and because another IMOM with similar functions – Committee Chairs – can be used at a low cost. However, this should not be interpreted as evidence supporting the thesis that IMOMs are used interchangeably, because in those instances when Junior Ministers are appointed to oversee the ministers, they are most often employed in tandem with Committee Chairs.

A Theoretical Overview

Since the use of the Junior Ministers has been one of the first IMOMs to be described and analyzed by political scientists, this research helped in many ways to shape and develop literature on the broader mutual oversight topic. For instance, research on the use of Committee Chairs mostly developed by taking insights from the earlier studies on Junior Ministers and testing them in other empirical contexts. When studying IMOMs, attention was drawn to Junior Ministers first because in many ways they embodied the very idea of informal mutual oversight between coalition partners. On the one hand, they have a near-perfect access to information inside the ministry and, on the other, most of the time they manage to keep out of the public eye and not to draw much attention to themselves.

As discussed in Chapter One dedicated to delegation and accountability in coalition cabinets, each minister enjoys a substantial informational advantage over his/her cabinet colleagues. It creates favorable conditions for a minister to abuse power, because due to information asymmetry such abuses might slip ‘under the radar’ of the coalition partners. Junior Ministers, in turn, are a perfect tool to combat this danger of hidden action; they are placed in the executive branch and have the same access to information as the minister. This allows for other coalition partners to stay ‘in the loop’ and rest assured that nothing is being done behind their backs.

Junior Ministers also serve as institutions which facilitate communication between the coalition partners. In this sense, they act rather similarly to parliamentary Committee Chairs, whose role was outlined in the previous chapter. However, Junior Ministers also bring some unique capabilities to the overall scheme of mutual oversight in coalition governments. Due to their placement between the minister and civil servants, Junior Ministers are privy to some information which is not passed on to parliament on a routine basis (Carroll and Cox 2012). Because of this, they are uniquely suited to raise ‘red flags’ and jolt Committee Chairs or Coalition Committees into action.

Furthermore, Junior Ministers are more in-tune with the attitudes within a particular ministry and the moods of civil servants. They can then use this knowledge to inform Coalition Committees or their own party leaders why certain reforms or policies are more or less successfully implemented by the bureaucratic apparatus. In addition, working alongside a particular minister provides Junior Ministers with more awareness and intimate knowledge about the moods, attitudes and goals of that minister. This information is of great value to the other coalition partners, as it reduces uncertainty among them and can contribute either to building trust or serving as an early warning mechanism (Thies 2001).

Finally, Junior Ministers are better suited for bigger governmental coalitions. Since one minister is usually matched up with a single Committee Chair, in bigger coalitions composed of three or more parties this causes problems as only one of the coalition partners can oversee the minister using Committee Chairs, while others are left out. However, multiple Junior Ministers from multiple coalition parties can be employed to ‘shadow’ a particular minister, thus, giving all partners in a coalition a tool for oversight.

However, using Junior Ministers for oversight also has costs. They are, for the most part, very similar to those of any other IMOM. Coalition parties might feel like using Junior Ministers signals a lack of trust between the coalition partners. Moreover, parties might be more sensitive to this particular mechanism of oversight than to others, because Junior Ministers are appointed to work very closely with the minister and that might seem a bit too intrusive.

Furthermore, just like with Committee Chairs, parties in a coalition face a serious challenge of finding suitable candidates for these positions and using Junior Ministers for oversight can seriously strain human resources within the party (Lipsmeyer and Pierce 2011). This occurs for the same reason as with

Committee Chairs – Junior Ministers have to strike a perfect balance between technical expertise in that issue area and party loyalty. A person of high loyalty to the party, but with limited expertise is basically of no use as Junior Minister, because he/she will not be able in most cases to detect instances of shirking, as usually the devil will hide in the details and a substantial amount of experience will be needed to detect the cases of ministerial wrong-doing. If, however, a technocrat with weak party loyalty is chosen for the position, the benefits for the appointing party will be limited as well. In such instances there is always a danger that a ‘watchdog’ will turn into a ‘lapdog’ and a Junior Minister will start serving the interests of the minister rather than the appointing party (Müller and Meyer 2010).

Moving on to the previously identified factors that could influence the use of Junior Ministers for oversight purposes, these are: 1. the amount of ministerial autonomy; 2. issue salience; 3. policy distance between coalition partners; and 4. electoral volatility. Ministerial autonomy is positively associated with the use of Junior Ministers as IMOMs because if a minister is constrained by a strong prime minister, collegial decision-making rules in cabinet or the existence of strong parliamentary scrutiny, then the possibility of adverse ministerial action is small and, thus, the demand for oversight is low. However, if a minister can act autonomously, then the danger of adverse action (and the demand for oversight) increases. Similarly, a higher demand for oversight exists in policy spheres that are deemed particularly salient, as there the consequences of adverse action could be particularly dire (Thies 2001). However, this dissertation does not investigate the influence of these two factors. As mentioned previously, the amount of ministerial autonomy does not vary much across or within the Baltic states and, as of yet, no reliable data exists that would allow to compare portfolio salience in these countries.

As Carroll and Cox (2012) have pointed out, policy distance between the coalition partners is positively associated with the use of Committee Chairs or Junior Ministers to shadow cabinet members. In ideologically diverse coalitions each minister has more incentives to deviate from the Coalition Agreement to serve the interests of his/her own party than in ideologically close coalitions. Such potential for ministerial shirking, in turn, creates more need for oversight.

It has also been pointed out that in the countries with higher levels of electoral volatility and in instances when there is credible opposition in the parliament, Junior Ministers are more likely to be used (Strøm et al 2008; Verzhichelli 2008). It mostly occurs because both of these factors contribute to increased uncertainty and mistrust among coalition partners. In cases of high electoral volatility governmental parties might try to go against the coalition interests and engage in populist policies to alleviate the effects of electoral punishment. In cases of credible opposition in the parliament, a partner in a coalition might be incentivized to pursue party interests, because the stakes of breaking-up the coalition would not be that high.

Shadow Junior Ministers: Definition and operationalization

Just like with Committee Chairs, there are substantial difficulties when trying to operationalize the concept of shadowing Junior Ministers, though on the surface it looks like a relatively straight-forward task. Verzichelli (2008) pointed out that the title “junior minister” is rather generic and is used to cover a wide variation of positions that exist in many Western European countries. For instance, in Italy a position that would fit the description of Junior Minister is an undersecretary (*sottosegretario*). They are usually tasked with assisting the minister with the incoming documents and communication. Meanwhile, in Germany a position that fits the description is parliamentary secretary (*parlamentarischer Staatssekretär*). Their duties are more specific. They are tasked with ensuring smooth and efficient communication between the ministry and the Bundestag as well as parliamentary party groups and committees.

Existing literature employs a rather loose definition of a Junior Minister, which in most cases states that Junior Ministers are members of the cabinet, who do not have the full rights of a minister (e.g. such as voting in cabinet meetings), but are appointed by a cabinet party to help the minister to execute certain tasks. In Western Europe these positions began to appear after the Second World War as a result of the increased scope and complexity of legislation. At first, ministers were at liberty to choose who occupies these positions and helps them to deal with the substantial workload. However, quite soon coalition parties started appointing people to these positions to keep tabs on the minister, and now in many countries a vast majority of Junior Ministers are appointed to shadow the minister.

In the Baltic states positions that would match this description are: vice-ministers (*viceministrai*) in Lithuania; parliamentary secretaries (*parlamentārais sekretārs*) in Latvia, and assistant ministers (*abiminister*) in Estonia. In all three countries people occupying these positions assist and advise ministers in a specific field and in some cases represent the ministry in the parliament. However, as the title suggests, the function of representing the ministry and the minister in parliament has been more pronounced in Latvia, whereas in Lithuania and Estonia, Junior Ministers worked in a more advisory capacity. Yet, despite this difference, both in Lithuania and in Latvia Junior Ministers have functioned as IMOMs; at times they have been consciously appointed by coalition partners to shadow ministers from other parties (Masiulis 2014; Smiltens 2016).

Even though it is quite clear who could be called a “junior minister” in the Baltic states, it is much less clear what exactly constitutes shadowing. With Committee Chairs, the biggest problem was the imperfect correspondence between parliamentary committees and ministries. It does not exist here, because all Junior Ministers are appointed in the same ministry. The main source of uncertainty is how to interpret the different levels of partisan loyalties one encounters when studying these positions. For instance, when analyzing Junior Ministerial appointments in Lithuania, Clark and Jurgelevičiūtė (2008) counted that a minister is shadowed when a minister and Junior Minister did not come

from the same party. Though this approach is attractive in its simplicity, it returns somewhat inflated results. For instance, in such a coding scheme if a party appoints a partisan vice-minister to a particular ministry and offers the position of the minister to a non-partisan expert, that would be counted as an instance of shadowing. Undoubtedly, in such situation a vice-minister would be asked to keep an eye in the non-partisan minister, but that would hardly qualify as a case of mutual oversight between coalition partners. Furthermore, sometimes a coalition party might appoint a non-partisan expert to accompany a minister from another party. This could be promoted by a consideration that a minister might lack sectorial expertise in a particular issue area rather than fears that a minister in question might shirk from the Coalition Agreement.

Therefore, this dissertation adopts a more conservative approach to coding Junior Ministers that shadow cabinet members. A minister is considered shadowed by a Junior Minister if a person occupying a Junior-Ministerial position is appointed by coalition party other than the minister and is a member of that party. The main measure for the use of this IMOM at the cabinet level in this dissertation is the share of cabinet ministers that were shadowed by Junior Ministers. At the party level, we look into what share of ministers from a specific party were shadowed using Junior Ministers.

Shadowing with Junior Minister in the Baltic States

In many Western European countries junior ministers are probably the most common mechanism for mutual oversight between coalition partners. The level of shadowing using Junior Ministers varies from country to country, but mostly lies somewhere between 50% and 80% (Verzichelli 2008; Thies 2001; Carroll and Cox 2012). By contrast, in the Baltic states these levels are much lower – below 10%. Furthermore, quite often coalition cabinets make an explicit commitment not to appoint Junior Ministers from another party, so this figure mostly represents sporadic experiments with this IMOM, rather than its consistent use. Table 10 presents a comparison on the share of ministers shadowed using JMs between the Baltic states and a few other democracies analyzed in Thies' 2001 article.

It is important to point out that the topic of using Junior Ministers for oversight in CEE countries has previously not been explored in great depth. There are no papers or monographs dealing exclusively with this topic. Carroll and Cox (2012) included eight CEE countries in their sample, but they analyzed oversight using both JMs and CCs and did not devote much attention to JM appointment intricacies in the CEE states. Clark and Jurgelevičiūtė (2008) analyzed appointments of JMs and CCs in Lithuania, but did not include other countries in their analysis or comment on wider regional patterns. Other scholars, like Zubek (2008) and Blondel (2001) who analyzed the structures of the executive in Poland and other CEE states (respectively) mentioned JMs, but did not devote attention to the oversight functions they perform.

Table 10: Shadowing with Junior Ministers in the Baltic states and selected other countries

Country	Share of shadowed ministers	Country	Share of shadowed ministers
Italy	98%	Estonia	-
Japan	86%	Latvia	5%
Germany	36%	Lithuania	9%

Data on Baltic states collected by author; data on Italy, Germany, Japan from Thies (2001)

In Latvia the parliamentary secretaries were introduced shortly after the restoration of independence and have been used ever since. Unlike in Estonia or Lithuania, where these positions have aroused some controversy and the mandate of these positions has changed over time, in Latvia Junior Ministers' tenure has been marked by stability.

In Estonia, these positions were introduced under the 2003–2005 Parts cabinet, and assistant ministers were supposed to be political appointees with a mandate to assist and advise the minister. However, from its introduction this position was subjected to wide criticism because it was perceived that political parties were seeking to needlessly create “jobs for the boys” or in other words stack the ministries with their party buddies. This position did not fit in with the general spirit of Estonian civil service and government organization, which has emphasized leanness and efficiency. For instance, even MPs in Estonia do not receive funding from the state to hire secretaries or assistants⁵. Because of this, tasks often performed by Junior Ministers in other countries have been divided between career bureaucrats (ministerial secretaries general) and the ministers themselves. Post 2005, ministers were still allowed to hire Junior Ministers, if they needed additional help, but this practice was not wide-spread. Furthermore, when ministers were appointed, they were either non-partisan experts or members of the minister's party. The matches between minister from one cabinet party with a Junior Minister from another, which are the focus of this chapter, never occurred in Estonia. Due to these reasons, vice ministers in Estonia are not analyzed any further in this study. Indeed, the possibility of appointing Junior Ministers in Estonia came to an end in 2014, when this position was totally abolished.

Similarly, Junior Ministers stirred up some controversy in Lithuania as well. Here these positions were introduced a bit earlier – in the late 1990s. At the time multiple Junior Ministers were appointed to each ministry to act as ministerial department heads and to direct the ministry's policy in a specific issue area. However, as it quickly became apparent, the position of vice-minister in Lithuania required substantial technical expertise and often cabinet parties did not

⁵ Interview with Marko Mikhelson, MP, Estonia. Tallinn, August 20th, 2012. Interview carried out for author's MA thesis research.

have adequately skilled personnel to perform such duties (usually all the people with relevant expertise already occupied more prestigious positions in the cabinet or in the parliament). For this reason, a trend emerged to hire non-partisan expert technocrats for these duties. That meant that the division of Junior Minister positions was still done during the coalition negotiation phase, and it was up to the cabinet parties to nominate the candidates for the Junior Minister positions, but very often those parties chose to promote people from the civil service (often mid-level civil servants from the same ministry) or hire non-partisan experts from other spheres of life.

Eventually, this practice led to the abolition of the vice-minister's position altogether. The Kirkilas cabinet, in office from 2006 to 2008, considered that it would be best to expand the personnel and powers of the ministerial chancellery made up of career bureaucrats at the expense of politically appointed vice-ministers. After this reform, the vice-ministers' mandate was dramatically reduced and only one vice-minister position remained in each ministry. These vice-ministers acted more as a minister's personal assistant rather than directors of a certain policy sphere as they did before. However, this practice did not last long. The Kubilius II cabinet restored the mandate of vice-ministers to what it was prior to Kirkilas' reform. This move was motivated by the fact that ministers needed a bigger team of well-trusted associates to cope with the challenges of the economic crisis.

However, as in Latvia, in Lithuania a great majority of Junior Ministers were not used to keep tabs on a minister from a different coalition party, as seen in **Figure 11**. In Latvia a significant portion of Junior Ministers were members of the same party assisting the minister with his/her duties, and in Lithuania they were mostly non-partisan experts.

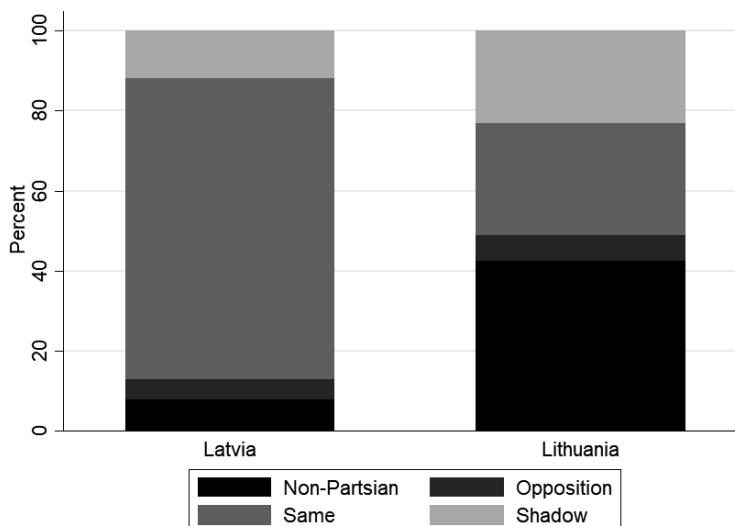


Figure 11. Junior Ministers in the Baltic states

In Figures 12–13 we can see that at times Junior Ministers were used quite intensely to shadow ministers, however, after these sporadic attempts this practice did not catch on. High-ranking coalition members from Latvia and Lithuania have expressed their dissatisfaction with how this IMOM has worked in practice. Some of them emphasized that appointing shadow Junior Ministers reduces the overall effectiveness of a minister because in such a scenario they do not have liberty to assemble their own team. Rather the team is assembled for them by their coalition partners (Šimašius 2014). Others have said that they can hardly imagine how a minister can be effective in such an environment where he cannot feel trusted by the other coalition partners (Masiulis 2014).

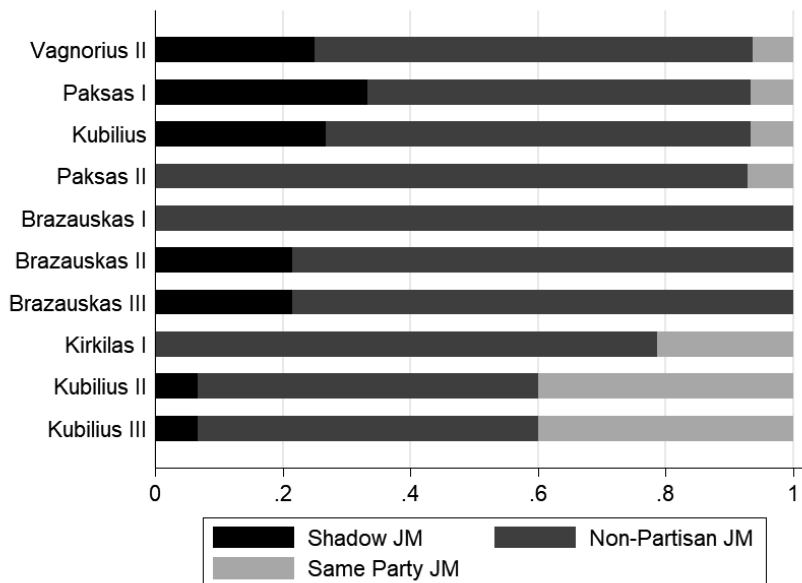


Figure 12: JM shadowing by cabinet in Lithuania

As can be seen from Figure 12, in Lithuania cross-appointing Junior Ministers to shadow ministers from other parties was practiced until Kirkilas cabinet. Such shadow Junior Ministers were appointed to shadow between 10% and 20% of the cabinet ministers. In other words, out of 14 cabinet members, 2–3 ministers were shadowed in such way. As mentioned before, during the Kirkilas cabinet in 2006 the vice-minister office was reduced and reformed, and instead of a team of vice-ministers who helped to manage policy a minister could only appoint one personal assistant. Though this practice did not last long, it still affected how the role of the vice-ministers was perceived in the Kubilius cabinets. Though their powers were restored, they were still perceived as ministers’ assistants appointed solely at the discretion of a minister.

Box 2. Case Study of Straujuma II cabinet

Junior ministers were employed to shadow ministers in Lithuania and Latvia only sporadically. Also, the relationship between the minister and the shadowing junior minister, no matter how complicated, was usually kept private, as the coalition partners did not want to have their relationship complicated even more by media involvement. However, one of the interviewees shared a very telling story about the difficulties of using junior ministers for oversight, which occurred during the Straujuma II cabinet in Latvia (5 November 2014 – 11 February 2016).

This cabinet was composed of three parties Unity (center-right), Union of Greens and Farmers (center-left), and National Alliance (NA) (right). From the beginning there were significant tensions both between and within the coalition partner parties. There were internal tensions in Unity over who should lead the party, while the remaining coalition partners were not satisfied that Unity acquired all the key foreign policy positions in government (Minister, and chairs of Foreign and European Affairs committees in the parliament). Due to these tensions, it was decided to use shadowing junior ministers to provide more oversight.

One of these junior ministers was Rihards Kohls from National Alliance (who was interviewed for this research). He was assigned as parliamentary secretary to the Prime Minister Laimdota Straujuma. Being in a close proximity to the PM he noticed that the Unity party was conducting foreign policy based on their own political positions and not taking the positions of its coalition partners (especially NA) into account. Particularly divisive was the issue of refugee quotas. The Unity party was inclined to accept the quota system and take in refugees, while NA opposed the mandatory quota system in principle. When it became clear that the Minister of Foreign Affairs was going to back the quotas, despite knowing the opposition from the NA on this issue, Kohls decided to act and backed a motion organized by opposition parties to have an extraordinary parliamentary session on the topic, which shift the debate and the final decision from the cabinet to the plenary.

In other words, Kohls was a good example of how junior ministers can act as oversight mechanisms – he used his position in the PM's environment to acquire information how the ministers are going to behave on certain salient matters. He then relayed the information to his party leadership and the matter was brought before the coalition committee. However, his case is also a bit unique, because he also personally acted on this information to draw public attention to the issue.

The motion eventually did not gather enough signatures, but served to expose internal divisions in the coalition and helped to solidify NA's hardliner stance on immigration. Even though, the Coalition Committee eventually dismissed Kohls from his position, the internal tensions in the cabinet did not go away and the cabinet collapsed within five months. The coalition partners perceived Kohls actions as unbecoming and reckless. The next cabinet did not use shadow junior ministers.

Finally, in Latvia, parliamentary secretaries have been appointed to shadow ministers sporadically. As mentioned before, there were no significant reforms or controversies surrounding this position in contrast to neighboring Lithuania and Estonia. A lack of controversy associated with the position allowed coalitions in Latvia to experiment with using parliamentary secretaries as oversight mechanism. One Latvian MP indicated that the issue of cross-appointing JMs to shadow ministers would come up in coalition negotiations every few years. Coalition partners would acknowledge that the coalition would benefit from more oversight, and that parliamentary secretaries could perform this function. However, most of the time, such experimentation would lead to disappointing results as placing a person from a different party with often different opinions and attitudes so close to a minister, would prove counterproductive. Consequentially, the idea would be eventually abandoned, but after a couple years introduced anew (Smiltens 2016). See Box 2 for more detailed account.

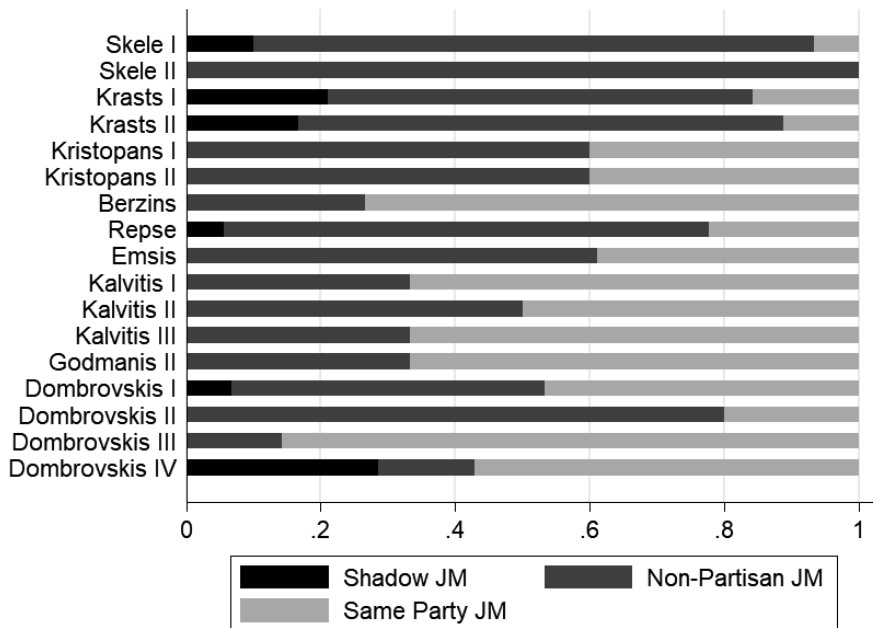


Figure 13: JM shadowing in Latvia

The fact that Junior Ministers never gained popularity as a tool for mutual oversight, clearly sets the Baltic states apart from some Western European countries, where it is, arguably, the most intensely used IMOM. In the following sections of this chapter, we explore what factors could explain the decision to shadow ministers using JMs and why this IMOM was used so sporadically.

Shadowing using JMs and its determinants in the Baltic states

Like in the previous chapter, in this part we analyze how the factors identified in Chapter Two relate to the use of JMs as IMOMs. Also, there are four regression models with intensity of JM shadowing at the cabinet level as the dependent variable and coalition make-up factors in Model 1, oversight cost altering factors in Model 2, all the factors in Model 3, and all the z-standardized versions of all the factors in Model 4 as the independent variables. Results of the regression analysis are presented in Table 11.

Table 11: Shadowing using Junior Ministers analysis' results

	Model 1	Model 2	Model 3	Model 4
Ideological diversity	-.01 (.05)		-.08* (.05)	-.05* (.03)
Number of coalition partners	.01** (.01)		.03*** (.01)	.06*** (.03)
Coalition experience		-.00 (.00)	.00 (.02)	-.00 (.02)
Minority cabinet		-.01 (.04)	.00 (.04)	.00 (.04)
LT		.07* (.04)	.12*** (.05)	.12*** (.05)
Const.	.05 (.04)	.05 (.05)	-.02 (.06)	.01 (.03)
N.	33	33	33	33
R ²	.02	.12	.24	.24
p values: * p≤0.15; ** p≤0.1; *** p≤0.05				

The results demonstrate that only country dummy for Lithuania is significant in all the models. The variables for coalition size and ideological diversity are significant in Models 3 and 4. This means that shadowing using Junior Ministers was more popular in larger coalitions and more intense in Lithuania compared to Latvia. Estonia is not included in the analysis here, as there were no instances of JM shadowing in Estonia. The ideological diversity of the coalition cabinet had a rather weak effect in all the models. The effect, contrary to expectations, was negative, meaning that Junior Ministers were used less frequently in diverse coalitions.

If we move down from the cabinet level to the cabinet party level, and run similar models to those in the previous chapter, we can see that none of the factors, except the size of a cabinet PPG, is statistically significant. This indicates that bigger coalition partners are more likely to appoint shadow JMs.

However, despite the statistical significance, the effect size and R-squares are very low. These results indicate that in the Baltic states unlike in many Western European countries, more ideologically extreme or distant from the formateur parties are not subjected to greater oversight. Taken together with the results of the previous cabinet-level regression models and the fact that Junior

Ministers were used for oversight purposes not very intensely and not regularly, it is possible to draw a conclusion that shadowing using Junior Ministers was used not as a precaution against certain types of coalition partners, but rather in certain types of coalitions. Analysis results are presented in Table 12 below.

Table 12: JM shadowing: what share of JMs appointed by a party shadowed ministers?

	Model 1	Model 2	Model 3
Relative size of a PPG	.51*** (.14)		.52*** (.14)
Distance from the coalition formateur	-.03 (.09)		-.01 (.1)
Coalition experience		.01* (.00)	.01 (.01)
Minority cabinet		-.05 (.03)	-.04 (.05)
LT		.06 (.03)	.04 (.03)
Const.	.09**(.03)	.13*** (.02)	.05 (.04)
N.	113	113	113
R ²	.12	.04	.13
p values: * p≤0.05; ** p≤0.01; *** p=0.00			

As outlined in the previous chapter, keeping tabs on coalition partners is more difficult in larger coalitions. While one coalition partner controls the ministerial portfolio, a second coalition partner might use the Committee Chairmanship to shadow that minister. However, if a coalition is made-up of more than two parties, then other coalition partners need to find other ways to keep an eye on that particular policy sphere. It is possible that that Junior Ministers can be employed for that purpose: since multiple JMs can be appointed to shadow a single minister, this IMOM provides an opportunity for all partners in larger coalitions to closely oversee a certain policy sphere. The next section explores how Junior Ministers can be used in tandem with Committee Chairs.

Junior Ministers and Committee Chairs

Previous research has generated mixed results regarding how the use of one sort of IMOMs is affected by the use of other IMOMs. More specifically, how using Committee Chairs affects the use of Junior Ministers for oversight purposes. Dong Hun and Lowenberg (2005) have argued that the use of Committee Chairs and Junior Ministers is negatively correlated. Or, more specifically, that parties in coalition cabinets often opt to assign a shadow Committee Chair when they are unable to appoint a Junior Minister to oversee that particular minister. This notion was challenged by Clark and Jurgelevičiūtė (2008) who presented evidence from the analysis of Committee Chair and Junior ministerial appoint-

ments in Lithuania that such a relationship does not exist and, on the contrary, at times coalitions in Lithuania tend to ‘double-tap’ and shadow a minister with both Committee Chairs and Junior Ministers.

Figure 14 presents the modes of oversight in the three Baltic states. The evidence demonstrates that in those instances when Junior Ministers were used for oversight in Lithuania and Latvia, most of the time a minister overseen by a JM was also overseen by a coalition-partner Committee Chair. Instances when a minister was overseen solely by a Junior Minister were quite rare.

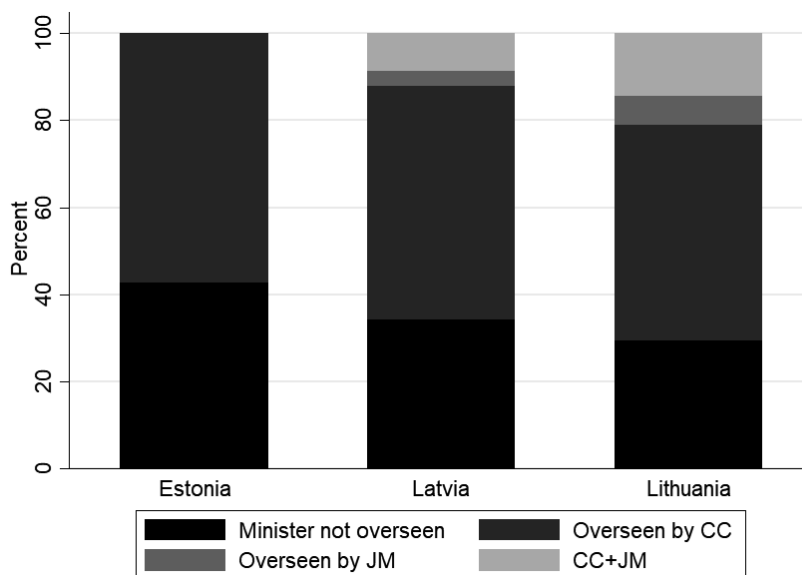


Figure 14: JM & CC shadowing in the Baltic states

Overall, in Lithuania and Latvia the use of Committee Chairs and Junior Ministers as IMOMs is correlated in a positive and significant way, though the correlation is rather weak (.14**). This indicates that when shadow Junior Ministers were appointed, they were usually shadowing a minister who was also shadowed by a Committee Chair. These two IMOMs complimented rather than substituted each other. Figures 15–17 indicate that JMs were appointed to the cabinets that were already quite intensely employing other IMOMs. In those cabinets JMs constituted an additional layer of oversight for the instances when relying solely on CCs was not enough to meet the demand for oversight in a coalition.

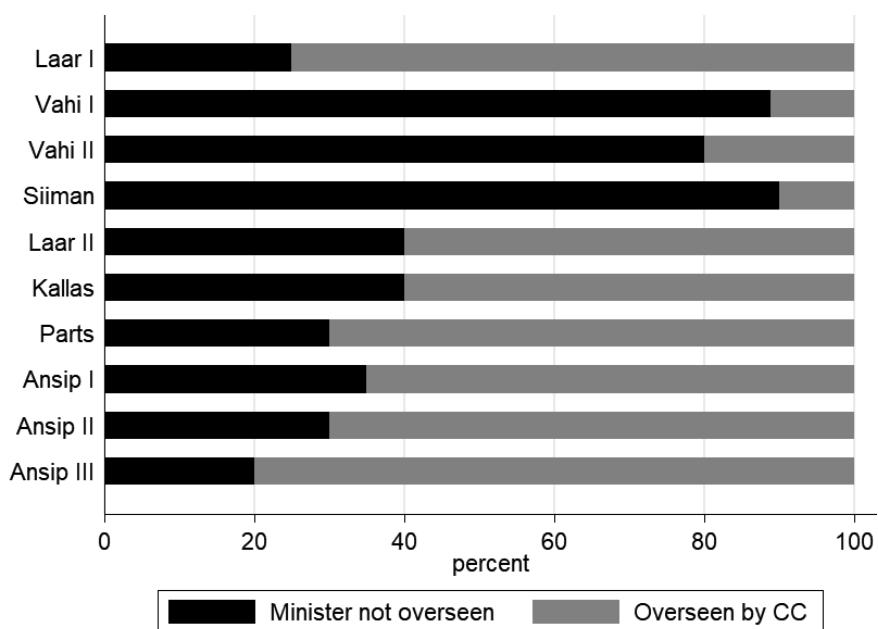


Figure 15: CC shadowing in Estonia

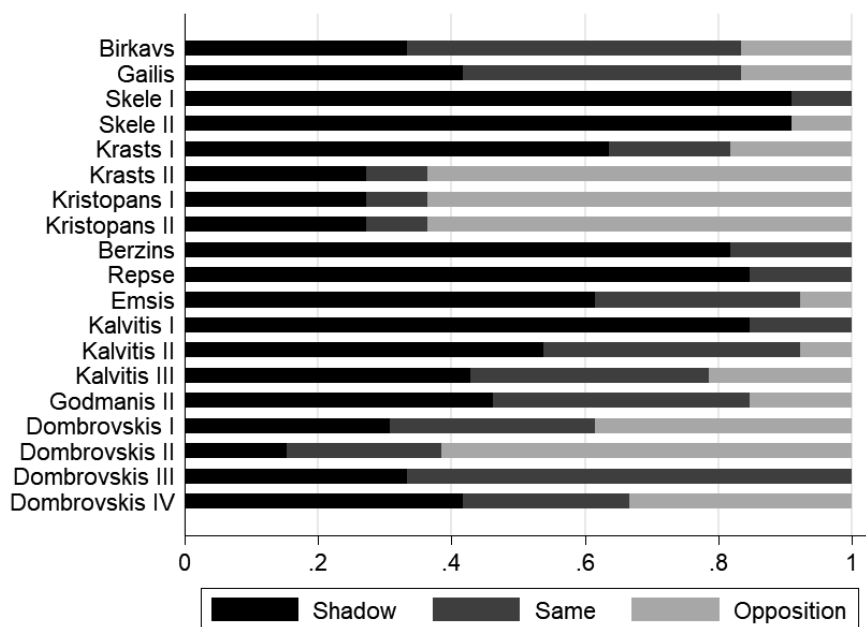


Figure 16: JM & CC shadowing in Latvia

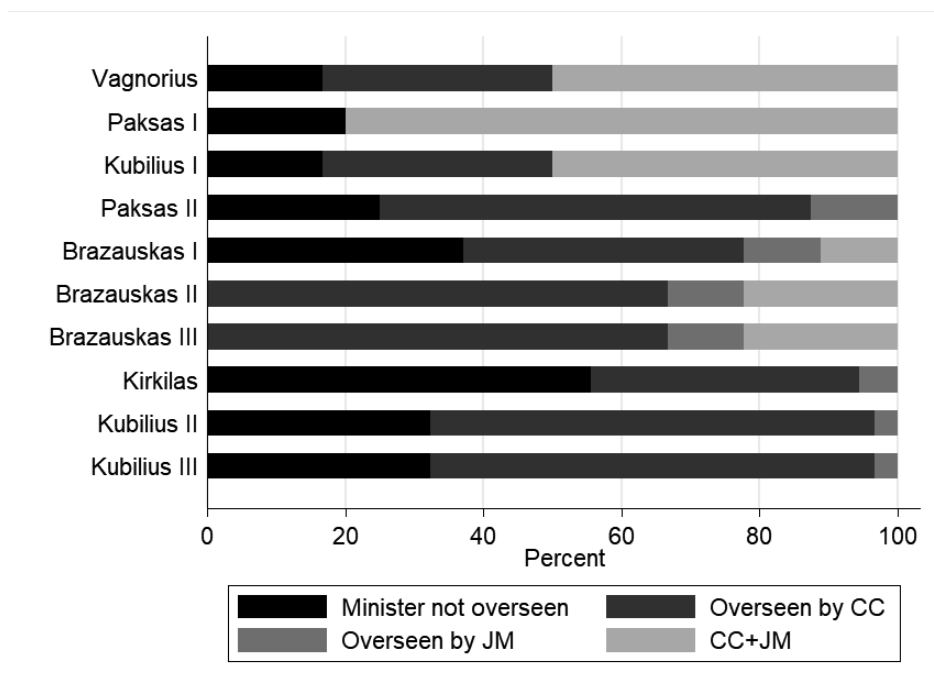


Figure 17: JM & CC shadowing in Lithuania

Since the previous section of this chapter has established the ideological position of a cabinet party has no effect on the share of party's ministers that are shadowed using JMs, we can conclude that shadowing using JMs is not associated with the specific features of a coalition party, but rather the features of coalition cabinet as a whole. Since the number of parties in a coalition cabinet and the levels of shadowing using CCs are positively associated with the intensity of JM shadowing, we can draw a conclusion that JM shadowing is endemic to coalition cabinets made up of larger number of parties and in which other IMOMs are quite intensely used.

In the previous chapter, we discussed certain constraints of using Committee Chairs for oversight, one of them being that in larger coalitions such oversight presents a problem – while one partner oversees the activities of another, other coalition partners are left in the dark. However, the findings of this chapter indicate that in such circumstances coalitions in Lithuania and Latvia can fall back on using JMs for shadowing, so that all coalition partners can keep tabs of particularly salient policy spheres, even if they cannot use CCs for such an end.

Why only a fallback?

In Western European states a majority of shadowed ministers are overseen by Junior Ministers, whereas oversight using Committee Chairs is more complicated and takes place when a coalition partner could not get a Junior Minister position to oversee a particular minister (Carroll and Cox 2012; Dong Hun and Loewenberg 2005). In other words, in Western Europe the default means for oversight involves Junior Ministers, while Committee Chairs are the ‘fallback’ option. By contrast, data from the Baltic states suggest that the opposite is true: Committee Chairs are the main vehicles for oversight, while Junior Ministers are perceived as a ‘fallback’ option. This begs the question, why are the roles of Committee Chairs and Junior Ministers as IMOMs reversed in the Baltic states compared to Western Europe?

While it is not possible to carry out full comparative analysis within the confines of this chapter, the most plausible explanation of the preference to rely on a particular oversight tool relates to the availability of a particular IMOM. As mentioned in the previous chapter, Committee Chairs have certain advantages over Junior Ministers: 1. they are somewhat removed from the immediate vicinity of the minister and, therefore, seem less intrusive; 2. contrary to the Junior Ministers, they have some power to delay or amend a bill they do not like. However, this instrument is not very much available to be used as IMOM in many Western and Northern European countries.

The issue is that in Western and Northern European parliaments, the rules specifying the allocation of Committee Chairmanships are very strict and do not allow substantial disproportionalities to occur. Fernandes (2013) gathered an original dataset of 12 Western European democracies (the precise countries and years are not indicated), including four legislative periods per country. This data indicates that disproportionalities between the share of plenary seats and Committee Chair positions (share of CCs – share in plenary) exist in the Western European countries, but are quite small. In 80% of the cases, they do not exceed 10%. Meanwhile, analysis of the situation in the Baltic states suggests that there situation is a bit different and disproportionalities between the shares of plenary seats and Committee Chair positions are more common and more sizable. In the Baltic states only roughly 70% of disproportionalities fall within 10% range and can sometimes reach up to 40%.

Figure 18 shows the histogram of disproportionalities between the party’s plenary seat shares and share of Committee Chair positions in the Baltic states. The X axis corresponds to the magnitude of the disproportionality, while the Y axis shows its frequency- how common are the disproportionalities of a certain magnitude. The figure contains histograms for all parliamentary parties (left) and cabinet parties (right). The red lines indicate a 10% range where most of the disproportionalities in the Western European countries occur. Results indicate that compared to the Western European countries the disproportionalities between the size in the plenary and the share of Committee Chair positions are both more common and more sizable in the Baltic states than in the Western

European countries. The graph on the right (for only cabinet parties) indicates that these disproportionalities are not distributed randomly – cabinet parties have significantly more positive disproportionalities, indicating that they receive higher shares of Committee Chair positions than they size in the plenary would suggest.

In other words, this means that in Western European countries Committee Chair positions are allocated based on strict proportionality rules and even if deviations do happen, they are not common and usually do not deviate far from the perfect proportionality. In the Baltic states, meanwhile, Committee Chair position allocation is more disproportionate. Often even big parliamentary parties do not receive any Committee Chair positions, while even the smallest of coalition parties receive disproportionately more of them.

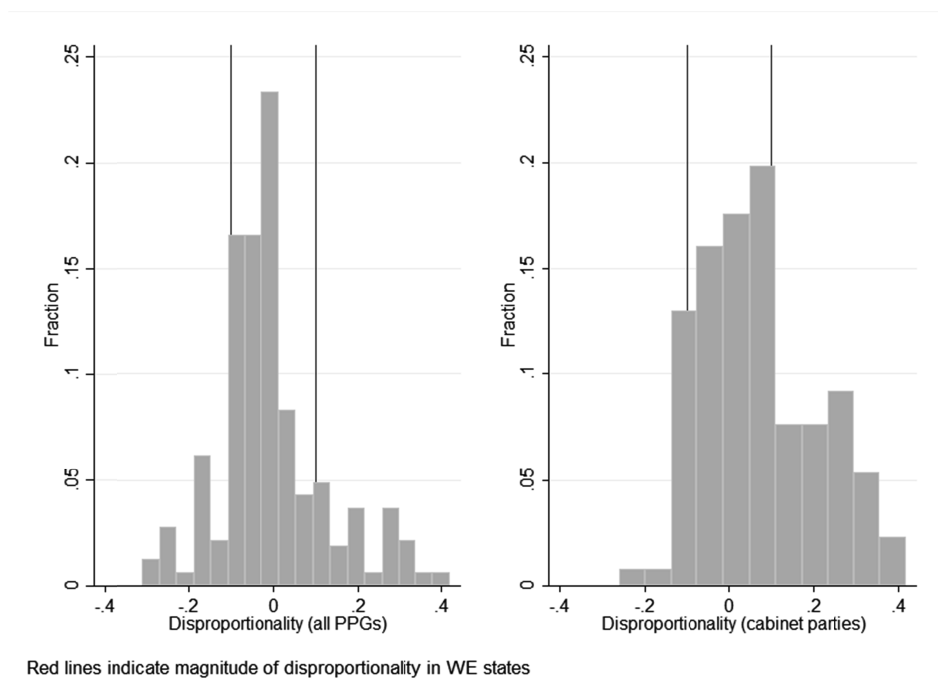


Figure 18: Disproportionalities between PPG plenary and CC shares in the Baltic states.

This means that in Western/Northern European parliaments a minimal winning coalition could hardly hope to control over 60% of the Committee Chairs, while in the Baltic states their CC share could even go up to 90%. While in Western European countries Committee Chairs are a very scarce resource for the cabinet parties, in the Baltic states they are abundant. This abundance means that it is easier to use CCs for oversight, which in turn grants more power to the

overseeing party and alleviates the sense of intrusion that an overseen minister might feel.

In Western/Northern European coalitions, Junior Ministers represent a less attractive option compared to CCs, but more attractive than not overseeing a particular minister at all. Hence the coalition partners agree to use Junior Ministers though it causes their ministers some discomfort. If for some reason a coalition partner cannot get a junior-ministerial position to shadow a minister in a particular policy field, then arrangements are made to ensure that they can oversee that minister using a Committee Chair. However, given the strictness of the proportionality rules, this can be a rather difficult task, involving immense coordination with coalition partners. All these burdens associated with using CCs for shadowing ministers make them more of the ‘fallback’ option in Western/Northern European countries, while JMs are the default oversight instrument.

Summary

In many Western European states Junior Ministers are one of the main tools for mutual oversight in coalition cabinets. In this regard, the three Baltic states differ sharply from their Western counterparts: in Lithuania and Latvia JMs are used to shadow ministers to a much smaller degree, and in Estonia this institution has practically been non-existent. Most of the time in Lithuania and Latvia Junior Ministers are either non-partisan advisors to the minister or a minister’s colleague from the same party. During interviews conducted for this dissertation, many former cabinet ministers expressed their discontent with using Junior Ministers for oversight. To them this IMOM seemed too intrusive and signaled a lack of trust from the coalition partners to a particular minister.

In the regression models presented in this chapter, the main factor that had a significant effect on the intensity of using Junior Ministers for oversight was the number of coalition partners. This together with the fact that in the Baltic states usage of shadow JMs and CCs are positively correlated suggests that JMs are used as a means to provide additional oversight in situations where the demand for oversight from the coalition partners is greater than their ability to ensure it using Committee Chairs. Naturally, such situations tend to occur mostly in larger coalitions (because there are simply not enough Committee Chairmanships to go around).

Committee Chairs and not Junior Ministers have become the preferred means for oversight in the Baltic states for a couple of reasons: first, coalition partners do not like using this IMOM because it seemed too intrusive; second, in the Baltic states, compared to Western European countries, the parliamentary rules regulating the distribution of Committee Chair positions between the PPGs are much more relaxed and, consequentially, cabinet parties can get more of these positions compared to their Western European counterparts. This, in turn, makes using CCs for oversight purposes simply more appealing and available.

Chapter 6: Coalition Agreements

This chapter focusses on a third IMOM – Coalition Agreements. Compared to the two IMOMs discussed in the previous chapters, Coalition Agreements have not been analyzed so systematically, partly because studying Coalition Agreements is much more difficult. First, analyzing the appointments of the Committee Chairs or Junior Ministers requires simple access to parliamentary records, while comparing Coalition Agreements is much more complex. Such analysis requires either an impressive knowledge of languages or a sizable research network that could operate across linguistic barriers. Second, Coalition Agreements, compared to other IMOMs, are, probably, the most prone to be influenced by national institutional and cultural contexts. Some countries might traditionally favor very long, detailed, and comprehensive documents covering all policy spheres, while others might emphasize brevity and being to the point. Consequentially, little is known about these IMOMs except that two parallel trends are taking place in Western European countries: 1. Coalition Agreements are getting longer and more comprehensive, and 2. cabinets with longer Coalition Agreements tend to last longer and be more productive (Timmermans and Moury 2006; Moury and Timmermans 2013; Indridason and Kristinsson 2013).

Generally, similar developments also took place in the Baltic states between 1992 and 2012. After some experimentation with the design and format of the Coalition Agreements, coalitions in the Baltic states have settled on a stable form and structure of the Coalition Agreements. In Lithuania and Estonia, there was also an observable trend for Coalition Agreements to grow in length and complexity over time, whereas in Latvia they have remained more stable. Furthermore, as parties have gained experience in coalition governance, they tend to favor longer and more precise agreements. The number of parties in a coalition or its ideological diversity does not seem to affect Coalition Agreements in a significant way. Though some variation exists, Coalition Agreements tend to focus mostly on the most salient policy spheres, regardless of which coalition partner controls them. Cabinets in Lithuania seem to be favoring more technical and detailed Coalition Agreements with specific policy plans for every single policy area, while agreements in Latvia and Estonia tend to place more emphasis on the most important policy reforms for a particular legislative term.

A Theoretical Overview

Coalition Agreements serve three main purposes: 1. they outline how coalition partners allocate ministerial portfolios and other mega-seats among themselves; 2. they specify what policy goals the coalition cabinet seeks to achieve during its term and the means to achieve them; 3. they specify procedures regulating the daily work of the coalition, its reaction to various *ad hoc* challenges, and for the resolution of disagreements between coalition partners should they arise (Strøm and Müller 1999). The agreements themselves can take various forms

ranging from an oral ‘gentlemen’s agreement’ to comprehensive written documents. Written documents in turn can be kept for a coalition’s internal use or be made partially or fully public. In recent years in many Western European democracies a trend has emerged for Coalition Agreements to be formalized, public, and increasingly comprehensive (Timmermans and Moury 2006; Moury and Timmermans 2013; Indridason and Kristinsson 2013).

Furthermore, Coalition Agreements also have a variety of secondary functions. In addition to specifying a cabinet’s policy plans, they also serve to finalize the outcomes of inter-party bargaining that took place prior to the coalition formation. If they are made public, they additionally help the cabinet to publicly announce its agenda and inform the public of the government’s plans. Finally, they act as pledges with which coalition partners publicly commit or promise not to pursue certain policies. This function is particularly salient in ideologically diverse coalitions, because it outlines how the partners’ will cooperate in certain policy areas and which policy pledges from partners electoral manifestos will be reflected in cabinet’s agenda and which will not.

The fact that coalition partners have agreed on certain policy positions and made promises to pursue them during their term, has a certain enforcement value of its own. Parties usually do not like breaking explicit agreements and choose to do so only in difficult situations. This is especially true, if a Coalition Agreement has been made public, because in such a situation any deviation has to be justified in front of the voters (Strøm and Müller 1999; Laver and Shepsle 1996). However, often such symbolic enforcement power is not enough and coalitions have to rely on other IMOMs for the enforcement of the provisions in a Coalition Agreement.

Coalition Agreements help to ensure both intra and inter party communication and information exchange. They help to relay the outcomes of the coalition negotiations from the party leadership to their backbenchers and to ensure the symmetry of expectations among the different parties in a coalition. However, for the enforcement of these agreements coalition partners have to use IMOMs that actually can issue sanctions to the misbehaving actors, such as Coalition Committees or to a certain extent – Committee Chairs.

Even though long and comprehensive Coalition Agreements tend to lead to increased cabinet longevity and can help to enact policy pledges more effectively (Timmermans and Moury 2006; Moury and Timmermans 2013; Indridason and Kristinsson 2013), there are reasons why coalition partners might not want to write such an agreement. These agreements can be characterized as ‘incomplete contracts’ (Strøm and Müller 1999), because all signatories of the agreement do not have full information. Coalition Agreements require parties to make commitments to each other (and to the public), but these commitments hinge on certain assumptions about the health of the economy and the general political situation in a country which may or may not come true. Because of this lack of information, coalition partners might not want to make extensive commitments to one another, so they cannot be accused of breaking the agreement, if something unforeseen comes up.

Another factor that limits the comprehensiveness of Coalition Agreements is that each of the parties has an inherent interest to maintain their autonomy over the policy sphere they control. In other words, each minister would naturally prefer to implement policy closest to his/her personal preferences, to do so at their own pace and with the amount of resources they deem necessary. However, as outlined in the first chapter, such a mode of coalition governance would lead to collectively sub-optimal outcomes. Instead, each of the actors has to accept certain limitations to his/her authority and autonomy, and grant certain concessions in the policy spheres they control for the coalition partners. However, though each minister agrees to make some concessions to the coalition partners, it is still in a minister's interest to make as few of these concessions as possible. Therefore, a Coalition Agreement reflects a balance between the interests of an individual minister, who seeks to maintain as much autonomy as possible and the interests of other coalition partners, who seek to minimize the uncertainty regarding the actions of each minister. In other words, each minister would seek to have as little regulation in his/her policy sphere as possible, whereas other partners would push a minister to commit to as lengthy and detailed agreements as possible.

However, despite the prevailing lack of information about the future events and push from the individual ministers to maintain their autonomy, over time in Western and Northern European countries Coalition Agreements have increased in size and comprehensiveness. Existing scholarship suggests that this is due to two major reasons: parties with time learn to make a better use of Coalition Agreements as a tool; and Coalition Agreements appear to have tangible benefits for the coalitions (Moury and Timmermans 2013).

As mentioned before, the quality of coalition policy outcomes is related to the amount of policy coordination and compromise between coalition partners. Policy coordination is a difficult task, which requires each coalition partner to move the policy away from their ideal-point and towards the coalition mean. However, if partners are willing to accept these costs, they can collectively produce better policy. Therefore, it stands to reason that with time coalition partners gain more experience in coalition governance and willingness to make compromises to achieve more optimal policy outcomes. To this end, one could assume they would be willing to tolerate more comprehensive Coalition Agreements which spell out the details of these compromises.

A second reason why coalitions are committing to longer and more comprehensive agreements is that they make the life of the coalition partners easier. Timmermans and Moury (2006) have demonstrated that coalitions with more detailed agreements tend to last longer in office. The reason behind this is that, if a coalition takes time and makes an effort to negotiate difficult policies prior to taking office, they are less likely to be torn apart by an inter-party conflict during the term. Absence of conflict also means that cabinet does not grind to a halt and can accomplish more during its time in office.

Coalition Agreements: Definition and operationalization

Just like with Junior Ministers, there is no international benchmark of what constitutes a Coalition Agreement. As mentioned previously, under this umbrella term, lies a very wide variety of agreements that can be written or oral, publicly available or meant only for coalition's private use. Furthermore, there is no clear methodology in place how these agreements should be analyzed or how their overall comprehensiveness should be measured.

Fortunately, Baltic states are rather similar in what constitutes a Coalition Agreement. In all three Baltic states coalition cabinet upon taking office issues two documents: 1. policy agenda; and 2. rules of coalition governance. The policy part of these agreements is always made public and presented at the parliament. These documents present the most important tasks for the cabinet of ministers during their term, major reforms to be done, and broader goals and values guiding the daily activities of the cabinet. The second document of the Coalition Agreements, sometimes is made publicly available, though it is not the norm. These documents specify the portfolio and other mega-seat allocation between the coalition partners, their rights and obligations, and dispute resolution mechanisms in a coalition cabinet. If these documents are not made publicly available, then they are only kept in the archives of the political parties. Because of this, there is a number of anecdotal situations when some of these agreements were simply lost when signatory parties split or merged with other parties. In this dissertation we analyze only the Coalition Agreements with both of their parts surviving and obtainable.

Another challenge in analyzing Coalition Agreements is that there is no gold-standard how they should be operationalized and measured. For instance, Indridason and Kristinsson (2013) measured only the length of Coalition Agreements (in thousands of words). They acknowledged that the length alone is an imperfect measure, but it has the potential to act as a proxy to how well these agreements tie the hands of ministers: short agreements, spanning just a few pages could not possibly contain a detailed outline of what a particular minister ought to do, whereas detailed plans for a particular policy sphere usually found in longer Coalition Agreements serves precisely such function. Meanwhile, Timmermans and Moury (2006) ignored the length altogether and looked at the portion of policy spheres covered by the Coalition Agreement from all policy spheres in which government is active (completeness), and how precise the pledges are (precision). The latter aspect was measured on an ordinal scale with three categories: rhetorical pledge – very abstract; definite pledge – a concrete and tangible pledge; a difficult pledge – more precise than purely rhetorical, but less precise than definite pledge.

In this dissertation, a synthesis of both approaches is used, which includes a measure for the length (in pages) of the Coalition Agreement and a measure for its comprehensiveness. Additionally, the length (measured as share of the overall agreement) is computed both for the agreement overall and for each of the policy spheres it covers separately. Length is measured in pages rather than

words, because it is a more valid measure⁶. Like most of the Indo-European languages Lithuanian and Latvian use prepositions, while in Estonian the function of prepositions is performed by suffixes which are written at the end of the word. Consequentially, texts of similar length in Lithuanian and Latvian will almost always have more words than in Estonian. Naturally, measuring the length of Coalition Agreements in pages has its own drawbacks, such as the need to account for the document formatting styles used (single or double spaced; font-size; etc.). This issue was addressed by measuring each Coalition Agreement by pasting it into a Word-file with the same format (size 12 'Times New Roman' font, 1.5 line spacing and standard margins).

A relative measure for each policy sphere was chosen because the aim is separate the individual dynamics of each policy sphere from the more general changes in the overall length and style of the Coalition Agreement.

The precision of pledges was hand-coded using an ordinal scale. Since the author of the dissertation is a Lithuanian native-speaker and has some understanding of Latvian and Estonian, where possible, coding relied in author's language skills. Where it was not possible, the texts of the coalition agreements were machine-translated using "Google Translate" service. The coding scale used ranged from zero (an abstract declaration) to one (a tangible policy pledge).

- 0 – abstract goal. E.g. "Cabinet promises to increase the welfare of the citizens".
- .25 – goal with broad policy measures indicated. E.g. "Increasing the welfare of citizens by alleviating the tax burden."
- .5 – goal with more specific policy steps indicated. E.g. "Increasing welfare by reducing the taxation on income."
- .75 – goal with concrete policy measures indicated. E.g. "Increasing welfare by reducing the personal income tax."
- 1 – goal with concrete policy steps and numeric value attached. E.g. "Increasing welfare by cutting the personal income tax by 10%."

In the subsequent analysis a single measure for comprehensiveness of Coalition Agreements is used which is obtained by multiplying the length and precision measures.

⁶ The decision to use pages rather than words to measure the length of coalition agreements was made after conducting an experiment in order to find the most valid measure. The same piece of text (approx. 20 pages) in English was machine-translated to: Estonian, Latvian, and Lithuanian. Then the length of the translated texts was measured in words, pages and characters. Analysis demonstrated that the length of the text in words varied the most between different versions of the text, while measurements in pages were the most consistent. Therefore, it was decided to use pages as a unit of measurement, because it best captures the "true" length of the text and is the least sensitive to grammatical and lexical language particularities.

Coalition Agreements in the Baltic states

Between 1992 and 2012 Coalition Agreements in the Baltic states went through a period of institutionalization. Over time they have become longer and more structured. After the initial experimentation phase, they acquired a stable structure and typical structural features of the Coalition Agreements seen in Western and Northern European countries, such as division of the agreement into policy, procedural, and portfolio allocation parts. Concerning the overall length of the Coalition Agreements, as seen in Table 13, the figure for the Baltic states is very close to the Western/Northern European average (based on Strøm and Müller 1999) with Coalition Agreements in the Baltic states being slightly longer.

Table 13: Coalition Agreements in the Baltic states and Western Europe

Country:	Average length (pages):	Standard deviation:	Min. length (pages)	Max. length (pages)
Estonia	16.5	13.31	4	41
Latvia	23.87	7.25	14	36
Lithuania	46.04	32.44	22	120
Western Europe*	21.28	13.27	1.5	106

*Data from Strøm & Müller (1999). As the authors used the number of words in their analysis as the main measure, their data is converted here to pages for comparability purposes. The conversion was done by dividing the number of words by 375 (roughly an average number of words per page in an English text).

Of the three Baltic states Coalition Agreements in Latvia and Estonia are rather similar in length, while in Lithuania they are slightly longer (See Figure 19). A substantial difference between the average lengths of Coalition Agreements in Lithuania, and Latvia and Estonia is mostly driven by the unusually long Coalition Agreement of the Kubilius II and III cabinets, which lasted over 120 pages. Though at the time such a lengthy Coalition Agreement marked a clear deviation from the norm, now it does not seem so unusual, as the Skvernelis cabinet (started December 2016) also adopted a Coalition Agreement stretching over a hundred pages. Regarding the precision of the Coalition Agreements, it is higher in Estonia and Lithuania (.6) and lower in Latvia (.40). The difference between countries, though significant, is not substantial.

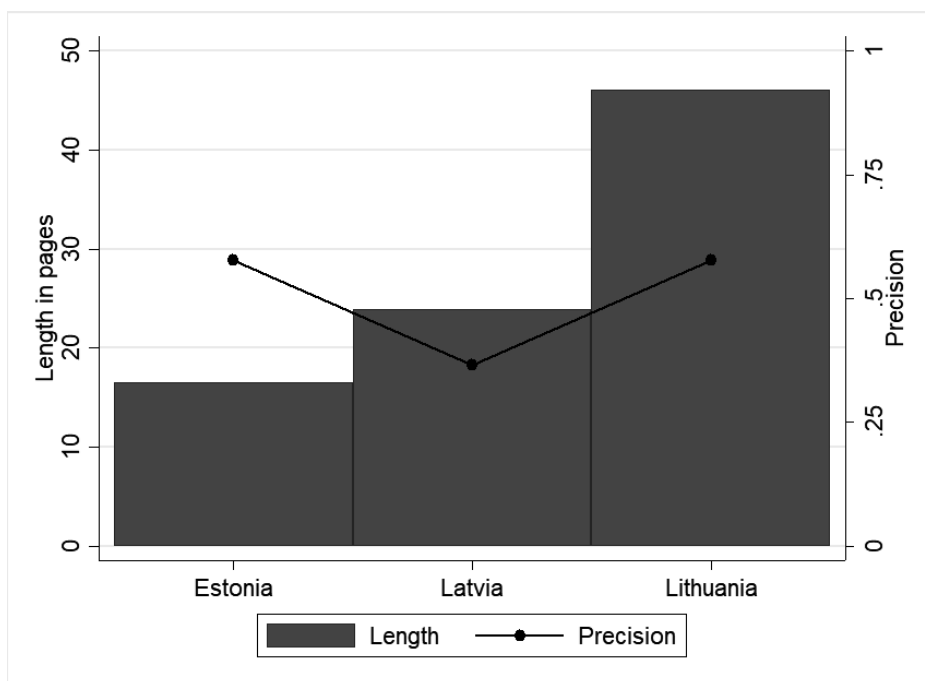


Figure 19: Length and precision of Coalition Agreements in the Baltic states

However, just like with previous IMOMs, these figures hide a rather substantial variation across cabinets. Figures 19–21 show how the length and precision of Coalition Agreements varied over cabinets in the Baltic states. In Estonia, there is an overall trend that Coalition Agreements increase in length and precision over time. Two notable exceptions from this trend were the Kallas and Ansip I cabinets. Both of these cabinets performed care-taker functions until the next parliamentary elections and were made up of two main partners: the Reform Party and the Center Party, which were also the main ideological rivals of the Estonian political system.

Ansip I cabinet came to power after the collapse of the previous Parts cabinet, which meant that a coalition of two right-wing parties was not possible, due to previous disagreements among former coalition partners. Furthermore, the opposition parties did not want to remain in opposition and let a minority cabinet be formed. Therefore, the only way out the crisis was to form a coalition between two parties, who were the main rivals in the Estonian party system: Ansip's Reform party and the Center Party of Estonia. Additionally, a smaller People's Union party also joined in order to form a majority coalition.

Needless to say, both major partners struggled to work together, as a great part of their electoral campaigns and party identities were set up in opposition to each other. Therefore, the coalition partners decided not to embark on any

ambitious projects and instead contented themselves with making small, incremental common-sense improvements to the existing policies.

This attitude was reflected in the Coalition Agreement which spanned only nine pages and contained a list of 94 bullet-points with concrete policy measures that the cabinet planned to enact (for example, to reduce the rate of the income tax from 23% to 20%). Contrary to the other Coalition Agreements, no space was dedicated to a shared vision or the goals of the cabinet parties.

The Kallas and Ansip I cabinets serve to illustrate another trend that was identified in the earlier chapters – ideological distance between the coalition partners often leads to less rather than more oversight. Instead of trying their best to make controlled delegation work by using many IMOMs, coalition partners in such situations often just opt to do as little as possible and to work only on the areas where some common ground exists.

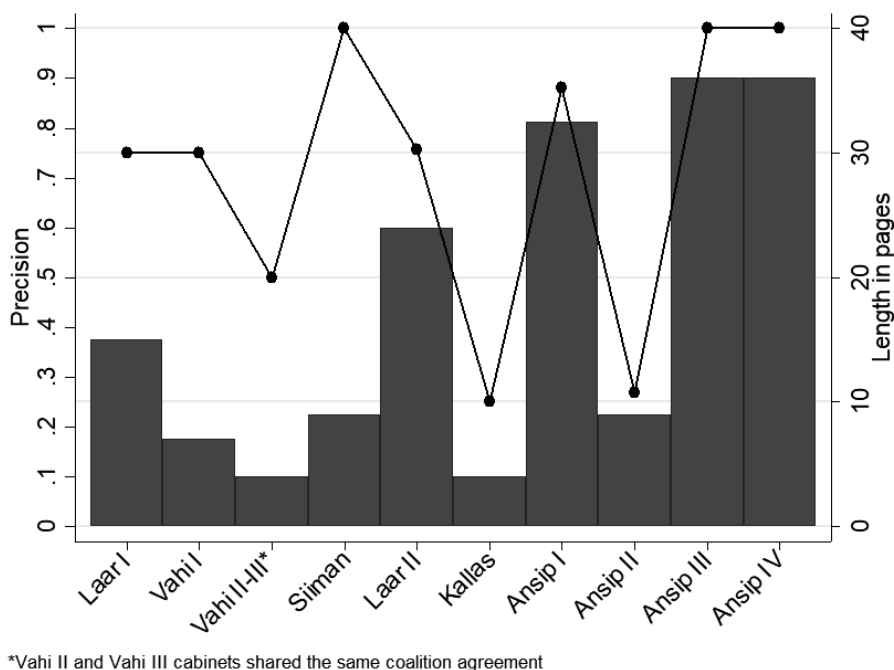


Figure 20: Length and precision of Coalition Agreements by cabinet in Estonia

In Latvia, it appears that the trend runs in the opposite direction. Over time Coalition Agreements have decreased both in length and precision. Of course, this trend should not be overstated, as Table 13 demonstrates, average length of Coalition Agreement in Latvia is only slightly smaller than in Estonia, and standard deviation of the mean is smallest in Latvia, which means that the

length of the Coalition Agreements in Latvia has been the most stable. Nonetheless, the trend indicates that coalition agreements are used to a lesser extent in Latvia than in the other two Baltic states, especially given the fact that the level of precision of these Coalition Agreements is relatively low compared to the other two countries.

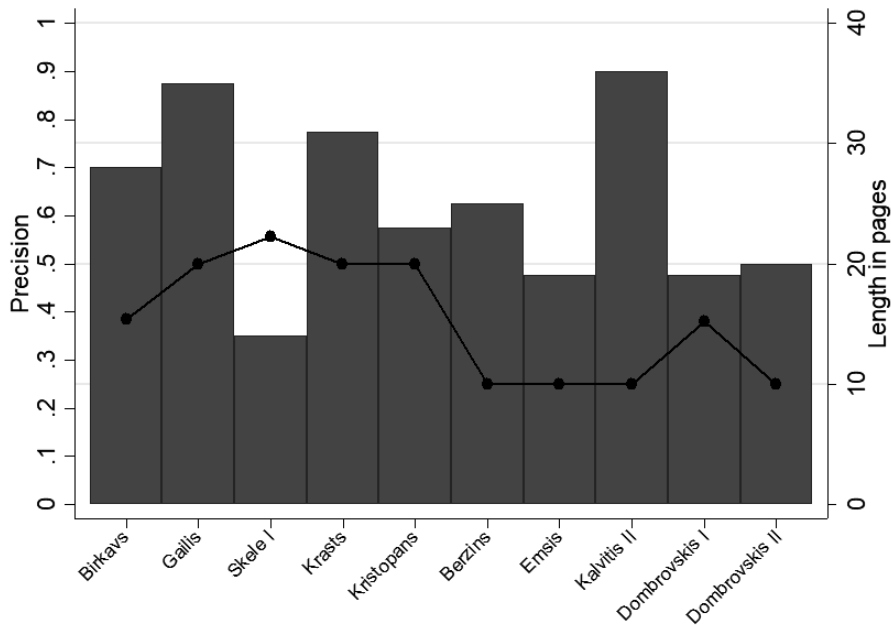


Figure 21: Length and precision of Coalition Agreements by cabinet in Latvia

Finally, in Lithuania we can observe a similar trend as in Estonia – over time Coalition Agreements have become lengthier and more precise. However, compared to Estonia, this process in Lithuania was less incremental and instead featured more radical experiments. For instance, in 2004 Brazauskas II broke the tradition of writing medium-length-medium-precision Coalition Agreements and instead opted for a shorter but more precise Coalition Agreement. As mentioned, Kubilius II cabinet also departed from earlier practices by preparing exceedingly long and precise Coalition Agreement. Such decision was motivated in part by the onset of the financial crisis which coincided with the beginning of Kubilius II term. Coalition members sought to outline as many policies as possible in great detail prior to taking office, so they could move at a faster pace once the new cabinet was sworn in. A more detailed account of Kubilius II Cabinet is in Box 3 below.

Box 3. Case Study of Kubilius II & III cabinets

The Kubilius II and III cabinets (which shared the same Coalition Agreement) stand out from the other cabinets both in Lithuania and the other Baltic states both in length and precision. There are multiple reasons why this occurred. First, the prime ministerial party in the cabinet, the Homeland Union-Lithuanian Conservatives (TS-LK), saw that the financial crisis was approaching and that Lithuania would feel its consequences severely. Therefore, even before the elections they started working on a plan to stabilize public finances during the ensuing credit crunch and retain the state's financial solvency.

However, they did not limit themselves to the economic sector and state finances, but rather prepared detailed plans for structural reforms in several sectors (energy, education, and security). These plans served as the blueprint for the Coalition Agreement and some of their sections were included in the Coalition Agreement verbatim.

The second reason why the Kubilius cabinet opted for a detailed and long Coalition Agreement was that it was made up of mostly ideologically similar parties, a majority of which had worked together before. The notable exception was National Resurrection Party (TPP) founded just before the elections, but it received only few minor cabinet positions. The bulk of the cabinet members came from the TS-LK and two liberal parties: Liberal Movement (LRLS) and Liberal-Center Union (LiCS). Members of the liberal parties and the TS-LK were mostly involved in the TS-LK's predecessor (the Sąjūdis movement) around the time of the restoration of independence and knew each other well. Some of the members of the liberal parties were even members of TS-LK initially, but later split off.

Precisely this understanding that the coalition partners share the main principles and have the same general idea of how the planned reforms should look, but differ in their detailed approach, pushed the partners to negotiate and draft a very extensive Coalition Agreement and to negotiate as many details as possible prior to taking office. Though in some cases this was not possible due to a lack of information and certain issues had to be negotiated on the go (see Box 4), the general approach was to reach as comprehensive and detailed an agreement as possible.

More broadly, the agreement served two main purposes. It served as a public commitment by the coalition partners to enact certain policy measures, most notably very unpopular austerity policies. Second, it served to cement the compromise between the coalition partners on contested policy issues. For instance, TS-LK sought to return conscription to the armed forces, but the liberal parties strictly opposed this notion. The coalition agreed that TS-LK would appoint the minister of defense, but in turn would abandon all efforts to reintroduce conscription. This was reflected in the final Coalition Agreement which did not mention conscription even as a distant possibility.

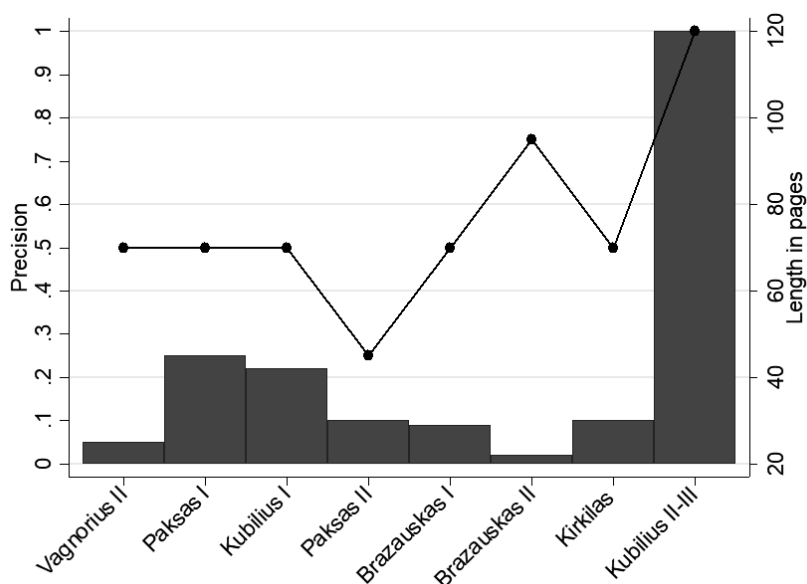


Figure 22: Length and precision of Coalition Agreements by cabinet in Lithuania

Comprehensiveness of Coalition Agreements and its determinants in the Baltic states

This part analyzes to what extent the variation of the length and precision of the Coalition Agreements can be explained by a set of factors identified in Chapter Two. The regression models use the comprehensiveness measure which is obtained by multiplying the length and precision measures. The measure is standardized to range between 0 and 1. Just like in the previous chapters there are four models: Model 1 – coalition make-up factors; Model 2 – factors affecting the costs of using IMOMs, Model 3 – all the factors together, and Model 4 – z-standardized versions of the factors to determine the size of their impact in relation to one another. Model results are depicted in Table 14.

Table 14: Coalition Agreements analysis results

	Model 1	Model 2	Model 3	Model 4
Ideological diversity	.01 (.05)		.04 (.05)	.03 (.04)
Number of coalition partners	.01 (.02)		.02 (.03)	.04 (.04)
Coalition experience		.03*** (.015)	.03** (.015)	.06** (.03)
Minority cabinet		-.04 (.05)	-.03 (.06)	-.03 (.06)
LT		.29*** (.08)	.32*** (.08)	.32*** (.08)
EST		.11* (.07)	.16** (.08)	.16** (.08)
Const.	.14* (.07)	-.05 (.07)	-.11 (.12)	.01 (.05)
N.	46	46	46	46
R ²	.01	.21	.29	.29
p values: * p≤0.15; ** p≤0.1; *** p≤0.05				

The models show that none of the coalition make-up factors has any significant impact on Coalition Agreements. Out of the factors influencing the costs of IMOM use, three maintain a significant effect on the comprehensiveness of Coalition Agreements in all the models: coalition experience and country variables for Lithuania and Estonia. This reflects broader trends discussed in the previous parts. On average, Coalition Agreements in Latvia are shorter than in the other two Baltic states, and Coalition Agreements have become more comprehensive over time, as parties gain experience of governing in a coalition together.

Naturally, it also stands to reason that Coalition Agreements are highly susceptible to pressures from national institutional environments. Because at least the policy part of Coalition Agreements is always made public, coalition partners might feel inclined to follow the example of their predecessors and style their documents in a similar manner. For instance, in Lithuania longer and broader Coalition Agreements are favored, which rarely fall shorter than 30 pages. It partly occurs due to a Lithuanian tradition to include policy plans for every single policy sphere, even if these plans amount to nothing else than simple continuation of existing policies. In those policy spheres a coalition agreement just reaffirms the cabinet's commitment to existing policy measures. Meanwhile, in Estonia and Latvia Coalition Agreements follow a more concise template where attention is paid only to the policy spheres for which cabinet is planning some reform.

Coalition Agreements by policy sphere

If we take a closer look at the Coalition Agreements, a clear pattern emerges. In each country, with only minor variations, the same policy spheres receive the most attention from one cabinet to another, regardless of what kind of party

controls that specific policy sphere. In other words, the length of regulation for a specific policy sphere in the Coalition Agreements reflects not the will of the coalition partners to constrain the actions of a specific minister, but rather the salience of that particular policy sphere. That is to say, Coalition Agreements reflect the controlled delegation process: coalition partners try to come up with unified policy program and write their commitments down in the agreement. The length of regulation of each policy sphere reflects how much emphasis is placed on that issue area.

In many ways this illustrates the general logic behind the Coalition Agreement. When political parties get together during the cabinet formation phase and try to agree on a set of policy priorities, they discuss the most salient matters in the greatest detail. Each coalition partner is affected by the cabinet agenda in highly salient policy spheres (e.g. social policy) and want their preferences reflected in the Coalition Agreement. Therefore, it is highly unlikely that we would find lengthy and detailed instructions for a minister directing a policy sphere with low salience (even if that minister is from an ideologically distant or a newcomer party), but it is very likely that we would find a detailed policy plan for a highly salient policy sphere even if a coalition is ideologically close and cohesive.

Figures 23–25 present the analysis of the Coalition Agreements by policy sphere in the three Baltic states. For the sake of comparability, different policy spheres are aggregated to six more general dimensions: 1. foreign and security policy; 2. justice and internal affairs; 3. environment, regions and agriculture; 4. culture and education; 5. healthcare and social affairs; 6. economy and finance. The figures use box plots: the line in the middle represents a median value, the box itself the range between the first and third quartiles. The dots represent outlier cases.

In all three Baltic states, each of these themes received a similar amount of attention with the differences between the median values not exceeding 7% of the Coalition Agreement. However, the attention devoted to certain themes like culture and education did not fluctuate much between different Coalition Agreements and between countries; meanwhile, other spheres like economy and finance varied more substantially. This is hardly surprising, as multiple economic crises and periods of structural reforms occurred in the Baltic states between 1992 and 2012, which pushed issues related to economy and finance high up the cabinet agenda. Overall, relative attention to different policy spheres varied most in Lithuania and least in Latvia.

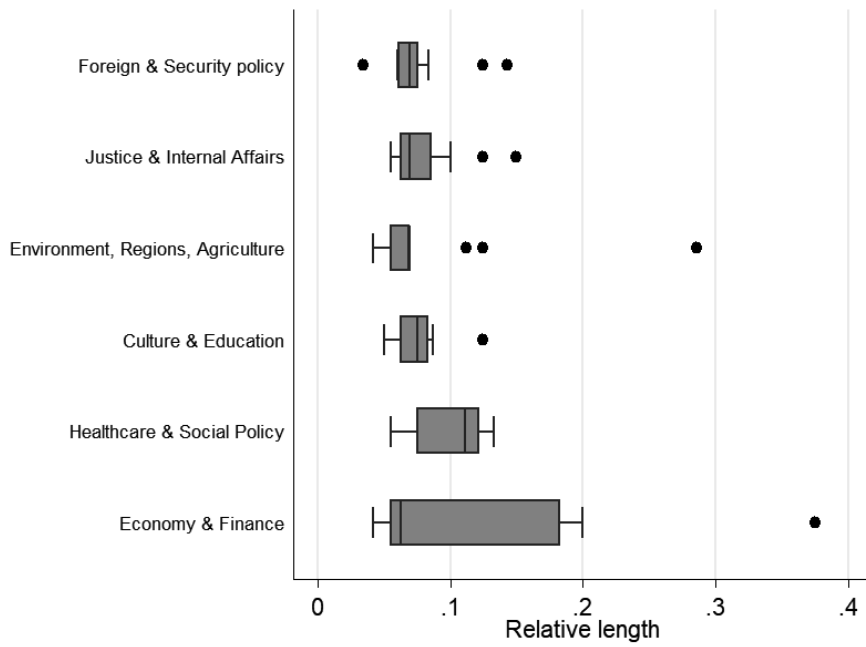


Figure 23: Coalition Agreements by policy sphere in Estonia

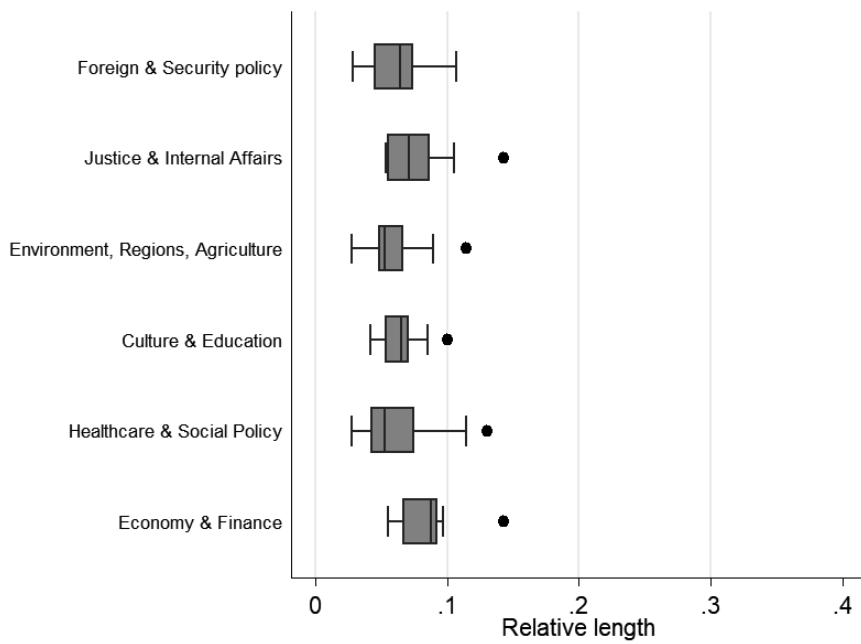


Figure 24: Coalition Agreements by policy sphere in Latvia

In Estonia, sizable deviations from the general trend did not occur. Meanwhile in Latvia, a notable exception is the Emsis Coalition Agreement which dedicated roughly one-sixth of its policy part to the matters coordinated by the Ministry of Children and Families. This was mostly influenced by the fact that the conservative Latvia's First Party (LPP) was included into the coalition. Devoting so much attention for this policy sphere was seen as a way for LPP to bring more visibility to their electoral manifesto, which emphasized traditional family values.

In Lithuania the most notable exception was the Kubilius II cabinet, which dedicated one third of the Coalition Agreement (which in itself was longer than a hundred pages) to economic policy. As mentioned, this cabinet assumed office during the onset of the financial crisis of 2008. Most of the economic policy measures were outlined in a “Plan to Mitigate the Effects of Financial Crisis”, which drafted policy measures to overhaul public finances and impose strict austerity measures.

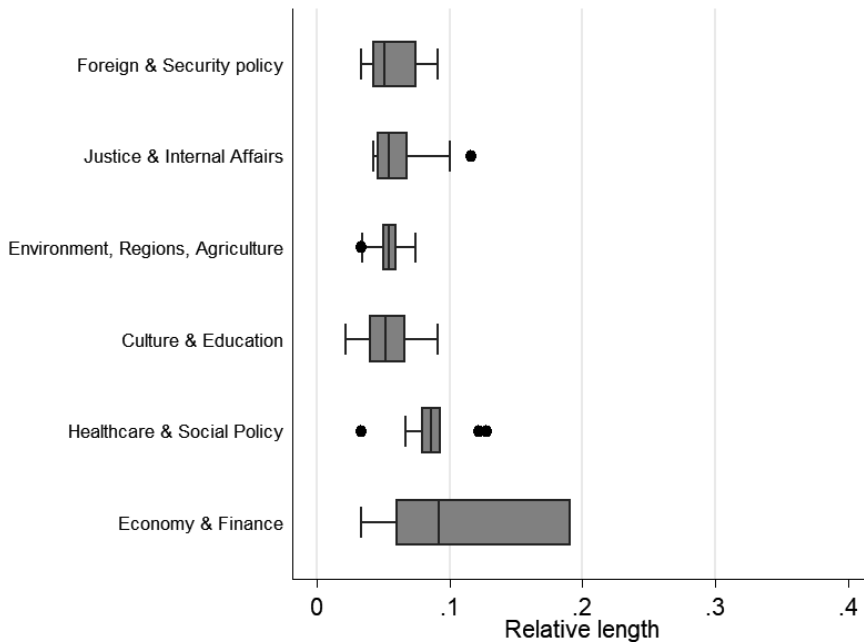


Figure 25: Coalition Agreements by policy sphere in Lithuania

Summary

Coalition Agreements serve a variety of purposes: they: 1. outline cabinet's policy goals and measures to achieve them; 2. specify how ministerial portfolios and other mega-seats are allocated between the coalition partners; and 3. establish procedures how coalition partners resolve their disagreements and react to unforeseen challenges. Coalition Agreements serve to reduce uncertainty among the coalition partners and to prevent disagreements over policy during the cabinet's term. Coalition Agreements by themselves constitute only symbolic means to deter coalition partners from shirking (especially, if they are made public) and have to rely on other IMOMs to enforce their provisions. However, by specifying the exact agreement between coalition partners, they allow other IMOMs such as Committee Chairs or Coalition Committees to be used more effectively.

In Western European countries, Coalition Agreements have become more formal and extensive over time. That, in turn, has contributed to increased cabinet duration and stability. In the Baltic states, Coalition Agreements have undergone a period of institutionalization, acquiring stable structural features and increasing in length and precision over time. The average length of the Coalition Agreements in the Baltic states is quite close to Western European average, though especially in Lithuania lengthier and more detailed agreements are favored.

The analysis revealed that the overall comprehensiveness of Baltic Coalition Agreements depends mostly on the amount of coalition experience partners have had and national particularities with shorter agreements favored in Latvia and longer in Lithuania. Though there were some fluctuations over time, the relative attention paid to each separate policy sphere has been rather stable and has mostly reflected the relative salience of different policy spheres.

Chapter 7: Coalition Committees

This chapter is dedicated to the fourth IMOM – the Coalition Committees. These committees are often some of the most important institutions allowing the coalition partners to exchange information and to make plans for the future. However, as these institutions are established to allow coalition party leaders to meet and discuss matters in an informal setting without any strict procedures or rules or media presence, very little is known about how these institutions function in practice.

This lack of information also means that the coalition committees are the least studied IMOMs of the four analyzed in this dissertation. This is hardly surprising, as studying these institutions is quite difficult. First, Coalition Committees meet behind closed doors, where they can conduct their activities in private. This means that the only people who know what happens in Coalition Committee meetings are the Coalition Committee members themselves. Second, Coalition Committees produce no official documents and their meetings are not protocolled. Therefore, there are no documentary evidence which could be analyzed.

To the author's best knowledge, only a couple of works devote some attention to how these coalition committees work as an IMOM and in none of them the coalition committees are the main topic of analysis. Strøm, Müller and Smith (2010) in their overview how parliamentary control coalition cabinets is carried out mentioned coalition committees as a mean for coalition partners to effectively communicate with each other and resolve their differences or conflicts. However, due to the lack of information, they did not go into more detail or provide lengthier analysis of the activities of the coalition committees.

Meanwhile, Andeweg and Timmermans (2008) in their study of conflict management in coalition cabinets also addressed the activities of Coalition Committees in passing. However, as the main focus of their study was to present an overview of the various ways how coalition partners resolve their conflicts as well as the venues in which the conflict resolution takes place, their work is the most comprehensive analysis of the coalition committees to date.

In their approach, Andeweg and Timmermans (2008) divided the arenas for conflict resolution in coalition cabinets into three types: internal – involving only the representatives of the coalition who hold a cabinet position; mixed – involving representatives of the coalition parties in cabinet, representatives of coalition in parliament; and external – involving some representatives of coalition partners (usually the coalition party leaders) from outside the executive and legislative branches. They observed that ordinary disagreements between the coalition partners are usually resolved in the internal arenas, while the resolution of more serious conflicts is usually moved to mixed or external arenas. Furthermore, they noted that the existence of the comprehensive and detailed coalition agreements tends to impact the activities of the coalition committees – a detailed coalition agreement serves as an *ex ante* tool for conflict

prevention and thus reduces the need to rely on mixed or external conflict resolution arenas (Andeweg and Timmermans 2008).

This analysis provided valuable insights into how and where the coalition cabinets resolve their conflicts and what place the coalition committees occupy in the overall conflict resolution architecture of the coalition cabinets. However, the study also reaffirmed that lack of information seriously inhibits the study of coalition committees and the internal dynamics of coalition cabinets in general.

Given this lack of information, any attempt to study coalition committees is challenging. However, the Baltic states offer a very good opportunity to analyze these institutions. First, due to the fact that the Baltic states restored their independence fairly recently, some of the politicians who were active in some of the earliest Coalition Committees, are still around today and can offer a unique perspective how these institutions have changed and evolved over time. Second, due to the relatively small size of the political community, it is harder to 'insulate' these institutions from the outside. In contrast to larger democracies, where the distance between the 'inner-circle' and backbenchers is great, in the Baltic states most coalition MPs have a good understanding of what happens in a Coalition Committee and have taken part in Coalition Committee meetings at one time or another.

Tasks and Functions of Coalition Committees

Since there are no written records of the activities of Coalition Committees, the data and insights into the functioning of the coalition committees comes from the insider interviews. The people interviewed were either permanent members of the Coalition Committees or have taken part in its activities multiple times when they were invited on the *ad hoc* basis. Based on the information from these interviews, the Coalition Committees are conceptualized in a slightly different manner than in the Andeweg and Timmermans (2008) study. The main reason for this is that due to the small size of the Baltic states, maintaining a strict distinction between the inner and mixed arenas, is rather impossible. In their approach, Andeweg and Timmermans classified the Coalition Committees as a mixed arena, as representatives from the coalition partners without the cabinet position take part in the Coalition Committee meetings. Meanwhile, internal arenas involved only cabinet members (Andeweg and Timmermans 2008). However, in the Baltic states, such pure internal arenas do not exist. Due to the small size of the cabinet, holding informal inner cabinet meetings hardly makes sense. Instead, coalition partners tend to involve some representatives of the coalition in parliament or leaders of the coalition partners' parties who do not hold a cabinet position when deliberating coalition related matters. Therefore, here the Coalition Committees are understood as informal meetings bringing together the highest-level representatives of the coalition partners' parties, who may or may not have a cabinet position themselves.

Though they did not mention it explicitly, the interviewees spoke about Coalition Committees in the Baltic states as having an “onion-structure” (see Figure 26) – at their core, each Coalition Committee has a task to coordinate the passage of legislation through the complex network of state institutions. Additionally, if there is a need, Coalition Committees can grow extra layers – take on additional functions, such as: negotiating abstract pledges in the Coalition Agreement; reacting to and managing crises; disciplining coalition members.

Passing any law is a long and complex process, while passing a law when a coalition cabinet is in office is even more complicated, as it requires extensive coordinating between different parties. Coalition partners have to be involved every step of the way from preparing the draft text of the bill, through all the steps of deliberating and amending it parliament, to the final vote on the plenary. Coordination requires not only to ensure that the interests of all coalition partners are adequately represented, but also that enough MPs would show up to vote during each step of the process.

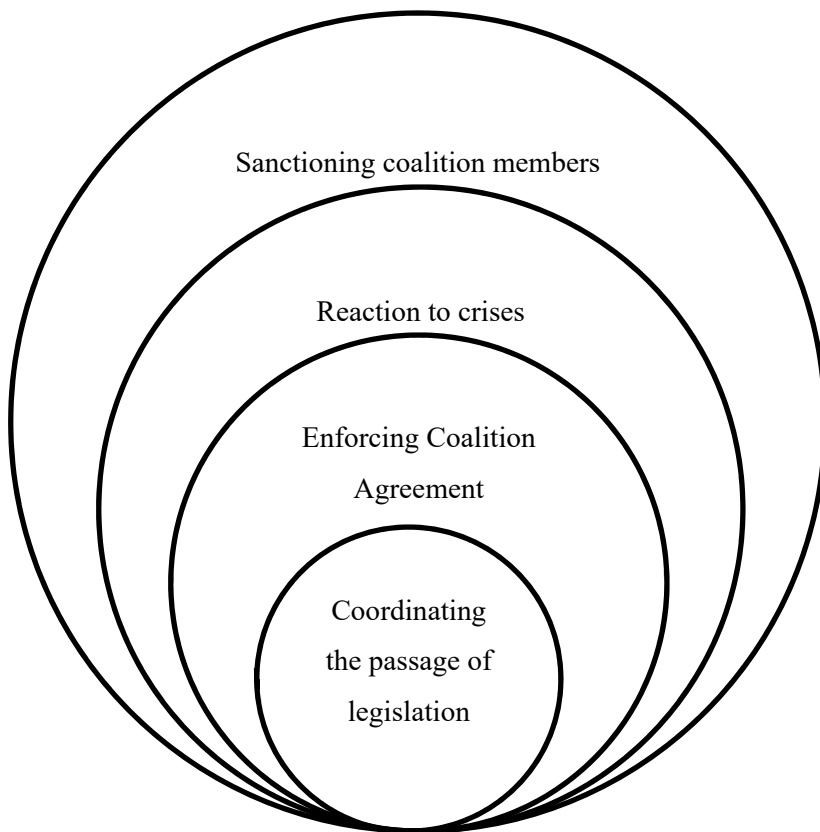


Figure 26: Onion structure of the Coalition Committees' tasks

The process of policy process coordination usually starts in a middle of the week, when over the span of a couple of days coalition partners hold their PPG meetings, where among other things, they come up with agenda items for the next Coalition Committee meeting. This meeting takes place on Monday of the following week and during it coalition partners go through the plenary, committee and cabinet agendas and discuss the status of various bills and upcoming challenges for the week. Also, during Coalition Committee meetings representatives from different ministries or parliamentary bodies (i.e. parliamentary boards or standing committees) would present status reports on how different pieces of draft legislation are moving through the legislative pipeline towards the final vote. If there is a need, Coalition Committee could order some changes to be made to a certain draft bill, so it would better reflect the interests of the whole coalition. In Lithuania and Estonia, the process then moves to the plenary session where draft legislation is voted on and then the cycle of coordination begins anew. In Latvia another Coalition Committee meeting is held right before the plenary session.

Coalition Committee meetings also provide coalition partners with a way to resolve their differences and find a path forward. In all three Baltic states, it is fairly common for coalition partners to specify several policy areas in which they cannot agree and in which they can vote freely without upsetting their coalition partners or breaking the Coalition Agreement. However, such instances also require coordination in the Coalition Committee, so that coalition partners would have a clear idea of how many MPs are opposing the bill and what behavior to expect from the coalition partners. This relates to both voting behavior and other matters, such as speaking out against cabinet policy or proposing a ‘poison-pill’ amendment. Coalition partners then share the information and discuss options how to address such nuisances (Holsmer 2016; Smiltens 2016).

Coordinating the passage of legislation is the main function of the Coalition Committees and it takes up most of their time. It is the only function that all Coalition Committees have in common. If the situation requires or if specific national or party-specific features demand, Coalition Committees can grow additional layers and take-on additional functions. The second most common function of the Coalition Committees, as mentioned by the interviewees, is enforcement of the Coalition Agreement and fulfilling its pledges to the greatest possible extent. More precisely, this involves turning the abstract notions in the Coalition Agreement into concrete policy measures. Though in most cases coalition members prefer to negotiate a coalition’s policy program during the coalition formation process, in some cases that is either not possible or some matters are not considered salient enough to be included in the coalition negotiations. This could occur due to many reasons such as rushing to form a coalition, which is quite common if a previous coalition collapses between elections, or coalition partners do not have enough information to make a commitment during the coalition negotiation phase.

A good example of it are all the cabinets that dealt with the financial crisis in the Baltic states in the 2008–2009 period (Ansip I, Dombrovskis I, Kubilius II). When the coalitions were formed and Coalition Agreements made, the exact scope and impact of the crisis were not yet clear. Consequently, when the information started coming in and the situation became clearer, cabinets had to adjust a number of their policies on the go and to come up with new important changes to the Coalition Agreements. Naturally, the Coalition Committees became the main venue where the changes and the implementation plans of the Coalition Agreements were renegotiated.

The third function that Coalition Committees undertake, if the situation requires, is crises management and reaction to unforeseen events. In such situations the Coalition Committee becomes the main body which discusses, agrees and coordinates the cabinet's responses to such event. Some cabinet members went as far as to distinguish between 'high' and 'low' functions of Coalition Committees. In their eyes more mundane functions of coordinating the passage of legislation through various institutions or enforcing the Coalition Agreement constituted 'low' functions of Coalition Committees, whereas dealing with crises and unforeseen events by creating brand new policy or making significant adjustments to how the cabinet functions constituted a 'high' function of Coalition Committees (Lang 2016).

These unforeseen events can be either internal or external. A great example of an external event which occurred during the 2000s was the Orange Revolution in Ukraine. The crisis required all three Baltic states to draft a policy response, which touched upon quite a sensitive area – relations with Russia and, thus, required coordination among the partners of cabinet coalitions in all three countries. Internal events which required a coalition response during the study period were numerous, mostly relating to various scandals involving cabinet members or parties.

The final function of the Coalition Committees relates to how they act as sanctioning institutions. While the Coalition Agreements outline the rules of the cooperation, and Committee Chairs together with Junior Ministers monitor if these rules are upheld, it is in Coalition Committees that the decision to punish misbehaving parties is taken. When dealing with the misbehaving members, the tasks of the Coalition Committee are twofold: first, to provide the parties involved with an opportunity to explain their actions and to alleviate the suspicions through communication, and, second, if that fails, issue sanctions to the misbehaving party.

As North (1993) has pointed out, in order to be effective, any oversight institution has to have capacities both to acquire information and to issue sanctions. In the overall architecture of mutual oversight in the coalition governments, functions of the Committee Chairs and Junior Ministers on one hand and those of the Coalition Committees on the other, represent this division between the information acquisition tools and sanctioning mechanisms. Committee Chairs and Junior Ministers provide information about possible wrongdoing and

then Coalition Committees react by discussing the situation and, if there is a need, administering sanctions.

Since Coalition Committees are ‘nerve-centers’ of coalition cabinets, they can administer sanctions to all coalition appointees: cabinet members, Junior Ministers, Committee Chairs, the Speaker, and other members of the parliamentary boards. Also, they possess a full range of sanctions ranging from a verbal warning to dismissing a misbehaving member altogether, which in the extreme instances may mean terminating the coalition as a whole. Of course, in cases where a coalition appointee is dismissed or a coalition is terminated altogether, the final decision rests with the parliament and is voted on in the plenary, but, nonetheless, the first institution where such decision is agreed upon is the Coalition Committee.

Coalition Committees: Definition and operationalization

As mentioned in the beginning of the chapter, Coalition Committees are secretive and elusive institutions, which leave very little evidence of their activity. Furthermore, being truly informal, they naturally exhibit substantial variation between different countries and some variation between the cabinets in a same country. Therefore, even providing a working definition of this institution is rather difficult. Nonetheless, based on the experience of the Baltic states, Coalition Committees can be defined as regular informal meetings between the leaders of the coalition parties (who may or may not be MPs or hold a cabinet position) and other relevant mega-seat holders, who are invited depending on Coalition Committee’s agenda.

Measuring the activities of Coalition Committees is even more challenging. In their study, Andeweg and Timmermans (2008) enlisted a network of experts to count how many conflicts occurred in coalition cabinets as well as the severity of these conflicts and the venue in which they were resolved. However, as the focus of the chapter is to determine how active the particular coalition committees were (as opposed to where the conflicts in coalition cabinet were resolved), the same coding scheme and operationalization cannot be applied here.

Even after an extensive insider-interview program, it was not possible to cover all the coalition cabinets that were in office between 1992 and 2012. However, according to the testimonies of the interviewees, Coalition Committees were very much prone to path dependencies and the differences between the Coalition Committees in different cabinets were small, resulting mostly from incremental evolution and learning effects. Therefore, it was decided to assign scores to the coalition committees in a different way. The same score was assigned for all coalition cabinets from the same country, based on the functions the Coalition Committees typically perform in that institutional context. This decision was also in part motivated by the finding in Andeweg and Timmermans study (2008: 287) that the coalition cabinets for the most part simply copy

and adopt the same conflict resolution rules and procedures from the previous cabinet, regardless of that cabinet's partisan composition.

The scores were assigned based on what roles Coalition Committees performed in the coalition cabinets and what functions they undertook. If a Coalition Committee only performed its core tasks of coordinating the passage of legislation, then the score would be lower and if performed more functions, it would be higher. Since the previous section of this chapter outlined four distinct functions of Coalition Committees, the scoring scheme will have the following values:

- 0 – Coalition Committee does not exist;
- .25 – Coalition Committee only coordinates the passage of legislation;
- .5 – Coalition Committees coordinate passage of legislation and coordinate the fulfillment of imprecise pledges in the Coalition Agreement;
- .75 – passage of legislation; Coalition Agreement fulfillment; and crises management;
- 1 – passage of legislation; Coalition Agreement fulfillment; crises management; sanctioning misbehaving coalition members.

Naturally, the presence or absence of certain functions in a Coalition Committee is never really clear-cut. In all the instances it is possible to see that Coalition Committees are doing a little bit of all the functions, however, the Coalition Committees do differ in how pronounced these separate functions are in their day-to-day activities. For instance, all Coalition Committees discuss the critical events that take place, however some Coalition Committees become platforms for coalition partners to prepare a coordinated and unified response, while some do not.

Coalition Committees in the Baltic states

Since Coalition Committees operate in a larger institutional setting, they naturally acquire features that are endemic to that specific context. Consequently, their activities are to a large extent shaped by the institutional environment in which they are situated. This part demonstrates how the intensity of the Coalition Committee's activities and the character of tasks they undertake are shaped by these national institutional contexts. Furthermore, this part explores what and how many of the tasks Coalition Committees undertake in each Baltic state and assigns scores based on the methodology outlined above.

In Estonia Coalition Committees meet once a week most often during the work day in one of the government buildings. The committee usually consists of the PM (though it is not always the case) and three representatives from each of the coalition partners, though other people such as standing committee members can be invited, if there is a need. The Coalition Committee mostly deals with coordinating the passage of legislation through different stages of the legislative process. Other tasks like creating policy from an abstract pledge in a Coalition Agreement or responding to crises are present but to a much smaller degree.

The reason for this is twofold: first, one of the defining features of the absolute majority of Estonian coalition cabinets has been decision making via consensus. It means that even a smallest coalition partner has a power to veto any cabinet decision. This being the case, governmental parties in Estonia feel significant pressure to negotiate as many things as possible before forming the coalition and signing them into the Coalition Agreement, as any remaining abstract pledges would be nearly impossible to turn into governmental policy. Consequentially, knowing the tall odds of successfully pushing through the idea that was not included into the Coalition Agreement, coalition partners usually just content themselves with legislating things that are already agreed.

Second, as of late the Coalition Committee meetings in Estonia have acquired very structured, almost bureaucratic character, due to the extension of Estonian e-government system to manage the internal affairs of the cabinet. As one of the former cabinet members puts it: “... *it is becoming pretty bureaucratic. Even in cabinet meetings members use their computers and see a list of documents to look through and there is even a proposed decision already formulated before the meeting. We aren't so flexible anymore in making decisions.*” (Lang 2016). In other words, Estonia has somewhat moved away from “gentlemen’s club”-style Coalition Committees, which are characterized, among other things, by free exchange of ideas or grand discussions of the future course of the country. Instead, it adopted a more structured and formalized approach to the activities of the Coalition Committees. Such approach has made Coalition Committees (and coalitions themselves) more stable and predictable, but at the same time more ridged and bureaucratic.

Naturally, Coalition Committees in Estonia take on crisis-management roles. However, the same reasons that make introducing new legislation not outlined in the Coalition Agreement difficult, make it not easy for a coalition to come up with a more active and dynamic response to crises. A good example of that is the situation of the cohabitation law in Estonia. Chancellor of Justice declared in 2011 that existing legal situation when people cannot form partnerships regardless of their gender is in conflict with norms of Estonian Constitution. In doing so he created a situation when either the Constitution had to be amended or a gender-neutral cohabitation law had to be adopted. Since none of the options is attractive, coalition parties kept postponing any decision on the matter thus perpetuating the crisis. Though a version of a law has been passed in 2015, it cannot function, due to the lack of supporting regulation, which creates legal conflicts and loopholes. The legal vacuum exists to this day, allowing same-sex couples to file law-suits against Estonian state. Despite all this, political parties in Estonia cannot seem to find a way forward and solve this issue.

Meanwhile in Lithuania, Coalition Committees also meet mostly once a week on Monday and also feature the PM and three delegates from each coalition partner. However, these meetings are considerably less official usually taking place outside of government buildings over breakfast. Yet deviations from this norm are fairly common place. Andrius Kubilius, a former PM, recalls

that in many cases Coalition Committee met in his residence after a work day and committee meetings would often stretch late into the night (Kubilius 2014).

Such a different character of Coalition Committee meetings is a result of two major factors: first, unlike in Estonia, decisions in Lithuanian cabinets are usually made not by consensus, but by a qualified majority vote. This results in a situation when a junior coalition partner can simply be outvoted when an important matter is deliberated. Knowing this, partners are more likely to engage into lengthy bargaining rounds, during which they attempt to get at least some concessions from the senior coalition partner. Second, in Lithuania full government alteration is not uncommon and thus if all coalition partners come from opposition they often find it impossible to negotiate a precise coalition policy program before taking up office. Consequentially, the function of a Coalition Committee to turn abstract pledges from a Coalition Agreement into policy is more pronounced in Lithuania than in Estonia. This means that Coalition Committees spend more time negotiating future policy which increases the length of the coalition meetings. For more details see Box 4.

Box 4. Case study of Kubilius II and III cabinets

Kubilius II and III cabinets serve as good examples of how Coalition Committees can take on roles of enforcing Coalition Agreement. Kubilius II cabinet assumed office in 2008 just before the effects of the financial crisis started being felt in Lithuania. Kubilius III was essentially the same cabinet, but as one of the junior partners National Resurrection Party split into two PPGs, one of which withdrew from the coalition, it was coded as a cabinet change, even though no changes to the cabinet itself occurred.

Despite writing a very long and comprehensive Coalition Agreement (see Box 3), coalition members assumed office without knowing the precise magnitude and scope of the effects of the financial crisis. Their situation serving as a perfect example of why Strøm and Müller (1999) called Coalition Agreements ‘incomplete contracts’. Once the information started coming in on the precise tax revenues coming in as well as the country’s overall credit situation, coalition partners realized that the situation is somewhat more severe than originally anticipated and that preliminary action plan laid out in the Coalition Agreement will have to be significantly adjusted. This involved reducing the number of policy priorities and concentrating on a smaller number of key issues.

Consequentially, this has led to the lengthy Coalition Committee meetings which took place in a variety of settings: sometimes over breakfast in the cabinet building, sometimes in the official meeting rooms, and sometimes in the private setting of the PM’s residence. Often these meeting would stretch late into the night, as the coalition partners found it difficult to agree on which of the planned structural reforms should proceed and which should be postponed as well as which policy areas had to receive the biggest budget cuts. For instance, the need in order to find resources to implement new ambitious energy infrastructure projects, with shrinking GDP, declining tax revenues and limited availability of credit, a planned increase in defense spending was abandoned and instead the armed forces received a sizable budget-cut (Juknevičienė 2014).

Even though the Coalition Committees in Lithuania tend to play a bigger role turning abstract pledges in the Coalition Agreement into policy, they are not really capable of solving conflicts between coalition partners and sanctioning misbehaving ministers. For instance, in Brazauskas II (2004–6) cabinet, when some instances of ministerial agency-shirking were detected, the coalition partners could not agree how to proceed and decided to opt for the most painful but simplest solution – to expel the partner responsible for those spheres, Social Liberal party, from the coalition altogether. This left a two party (Social Democrats and Labor Party) coalition with just enough MPs to have a majority in the plenary, but with no credible possibilities to expand the coalition. Such situation led junior coalition partner, the Labor party, to believe that they are essential to the coalition and openly rebel against the senior partners in a couple of instances. Coalition was paralyzed and finally collapsed when the President initiated a vote of no confidence to two of the Labor Party ministers.

Finally, in Latvia Coalition Committees function in a slightly different manner compared to their neighbors. As mentioned before, Coalition Committees in Latvia usually meet not once, but twice a week. On Monday there usually is a ‘big’ Coalition Committee meeting featuring the PM and five representatives from each of the coalition partners. In this meeting, Coalition Committee all the relevant discussions take place either regarding the coordinating the legislative effort or managing crises or creating new policy from the abstract pledges in the agreement. The second ‘small’ meeting usually takes place on Thursday, right before the plenary session featuring the PM and one representative from the coalition partners. In this meeting, usually only the items related to the upcoming plenary session and voting discipline are discussed. All the Coalition Committee meetings take place either in the government or parliament buildings.

Latvia adopted such a Coalition Committee design out of necessity. Since the mid-2000s all the cabinet meetings in Latvia were made open to the public and the media (by allowing members of the media to take part and record the cabinet meetings); as a result, coalition partners felt a need to move more sensitive discussions to a more private setting, and Coalition Committees therefore began to function as venues where coalition partners could have those conversations and deliberate certain matters behind closed doors.

Furthermore, coalition cabinets in Latvia compared to the other two Baltic states are composed of more partners and are characterized by shorter duration and higher replacement rate of coalition appointees. Yet on many occasions coalition partners in Latvia have managed to reshuffle cabinet positions (including the PM) between coalition partners, while maintaining their coalition in parliament intact. For this reason, Coalition Committees in Latvia are capable of dealing with issuing sanctions to the misbehaving cabinet members and replacing them more often than their counterparts in Lithuania or Estonia. Table 15 below, presents the score table for the Baltic states.

Table 15: IMOM scores for Coalition Committees

	Estonia	Lithuania	Latvia
Coordination of the legislative process	+	+	+
Creating new policy	+/-	+	+
Managing crises	+/-	+	+
Sanctioning members	-	-	+
Total:	0.5	0.75	1

Coalition Committees in Estonia have become increasingly formal and tend to concern themselves mostly with coordinating the passage of legislation. Though they also perform other tasks as creating new policies based on the abstract pledges in the Coalition Agreement or react to various crises, their levels of activity fall short compared to those of their counterparts in Lithuania and Latvia. Therefore, they are given a score of .5. Lithuania, meanwhile, is assigned a score of .75, because in the coalition a committee there takes on more roles, but cannot effectively sanction coalition members without breaking apart the coalition. Finally, Latvia receives a score of 1, since Coalition Committees there are the strongest in the Baltic states.

Summary

Apart from knowing that Coalition Committees exist in most of the Western European coalition cabinets and that they play an important role, precious little can be said about this institution. This partly occurs because of its informality – the Coalition Committee meetings are never recorded and produce no documents or other evidence that could be examined.

Interviews conducted with high-ranking politicians who took part in Coalition Committee activities, reveal that the functions the Coalition Committees perform can be perceived as having an onion-like structure: at the core, each Coalition Committee coordinates the daily activities of the coalition, and the passage of legislation through many institutional steps. If there is a need, Coalition Committees can take on additional layers and functions: 1. they can assume the role of coordinating the process of turning the abstract pledges from the Coalition Agreement into tangible policy; 2. they can lead the cabinet through crises and unforeseen events; 3. they can issue sanctions against misbehaving parties, which can include expelling a party from a coalition altogether.

In a sense, Coalition Committees act as nerve centers of the coalitions: they collect information from the relevant bodies, process it and make decisions. They complement the IMOMs which help to establish the rules of governing together or gather information but have no sanctioning power and provide the ‘muscle’ to make the overall system of oversight effective.

Coalition Committees in the Baltic states are similar because they are organized along the same principles of informality and functioning behind closed doors. They also are similar in their core function of coordinating the passage of legislation and managing the legislative pipeline. However, there are significant differences between them regarding their overall role in the architecture and the functioning of the coalition. Coalition Committee meetings in Estonia are a way for the coalition members in the executive branch to coordinate their efforts with their colleagues working in the parliament. In a way they serve as an extension of cabinet meetings and share many of the same formalities. In Lithuania these meetings provide coalition partners with a platform to discuss new policy proposals and share information which was unknown to them prior to assuming office. Finally, in Latvia Coalition Committee meetings allow coalition partners to discuss their business in private or to deal with the coalition members who refuse to follow the coalition line.

PART III: IMOM PATTERNS IN THE BALTIC STATES

Chapter 8: Patterns of IMOM use

After discussing the theoretical underpinnings of IMOM use and how each individual IMOM has been utilized in the Baltic states, the next logical steps are to see how 1. IMOMs have been used together as a whole; 2. whether the hypotheses raised in Chapter Two have been verified; and 4. whether the overall IMOM use has any effect on cabinet stability and duration. These questions are answered in this part. Chapter Eight discusses what IMOM patterns could be observed in the Baltic states between 1992 and 2012, summarizes the findings from the previous chapters, and checks whether the initial hypotheses have been confirmed. Chapter Nine asks whether the intensity of IMOM use had any observable consequences and concludes that more intensive IMOM use has contributed to increased cabinet duration.

How IMOMs were used in the Baltic states?

In order to analyze IMOMs collectively, the scales to measure the intensity of each individual IMOM use were standardized to range between zero and one. Variables for intensity of using CCs, JMs and Coalition Committees needed no additional recoding, as they already followed the 0–1 scale. Meanwhile, variable for comprehensiveness of Coalition Agreements was first normalized using z-transformation, and then standardized $((V - \min V)/(\max V - \min V))$. Figure 27 depicts the IMOM use in the Baltic states, the cabinets are ordered chronologically with the earliest cabinets being on top.

Figure 27 reveals three things: first, there are no clearly distinguishable differences in IMOM use in the Baltic states – in most of the cases, the manner of IMOM use is fairly similar and the differences fairly subtle. Second, there was a slight tendency for the overall IMOM use to increase through time. Third, subtle differences in IMOM use emerge mostly along the national lines.

This is not surprising: one of the reasons why this dissertation analyses the Baltic states is that their institutional structures share a wealth of common features (strong ‘working’ parliaments, high degree of correspondence between ministries and parliamentary committees, etc.). These commonalities allow us to compare these states but, at the same time, mean that they do not allow substantial differences in the way IMOMs function to emerge. For instance, powerful Committee Chair positions in all three Baltic states mean that shadow CCs are powerful oversight instruments and are intensely used as IMOMs. Meanwhile, the small number of political appointees in the executive branch in all three Baltic states mean that any attempt to appoint shadow JMs would be perceived as very intrusive, thus making JMs not very attractive as mutual oversight instruments.

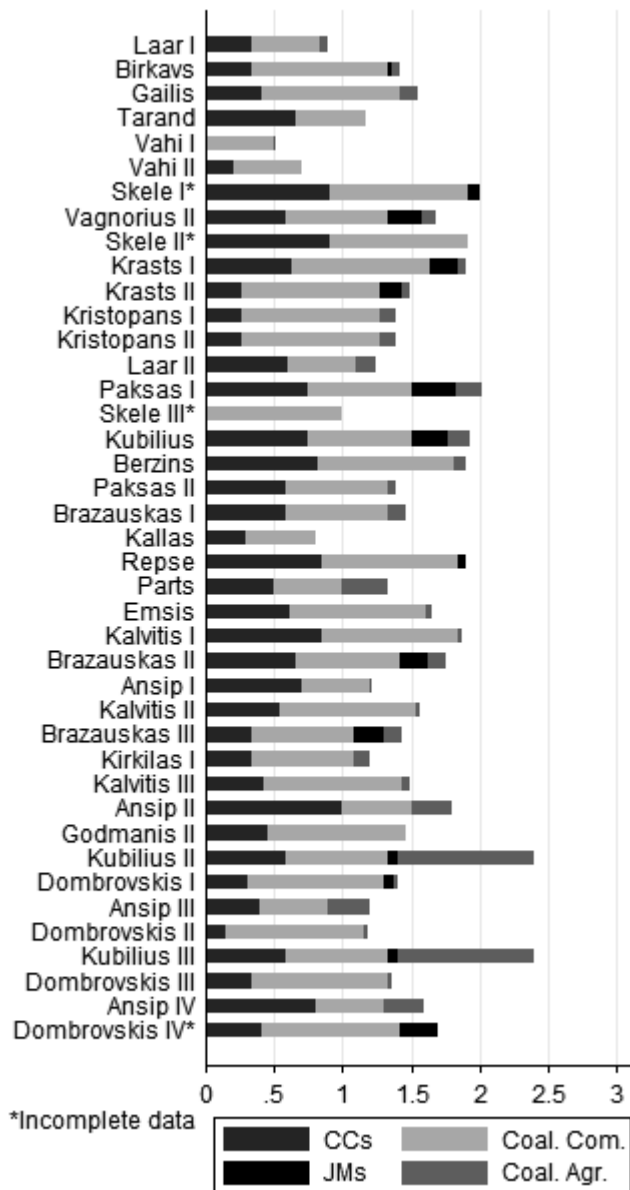


Figure 27: IMOM use in the Baltic states

The Baltic states are simply too similar for truly distinctive IMOM patterns to emerge and this is why the existing differences are fairly subtle and mostly driven by smaller national nuances or particularities. For instance, the role of Coalition Committees is more pronounced in Latvia simply because of the

regulation making cabinet meetings open to the media, which caused the deliberation of more sensitive matters to be moved to the Coalition Committees. Because of aforementioned lack of distinctive differences, a closer look at the IMOM patterns is needed to see how exactly the subtle differences between the Baltic states emerge. Furthermore, as the Figures 28–30 reveal, the subtle differences between the Baltic states are not stable and change through time.

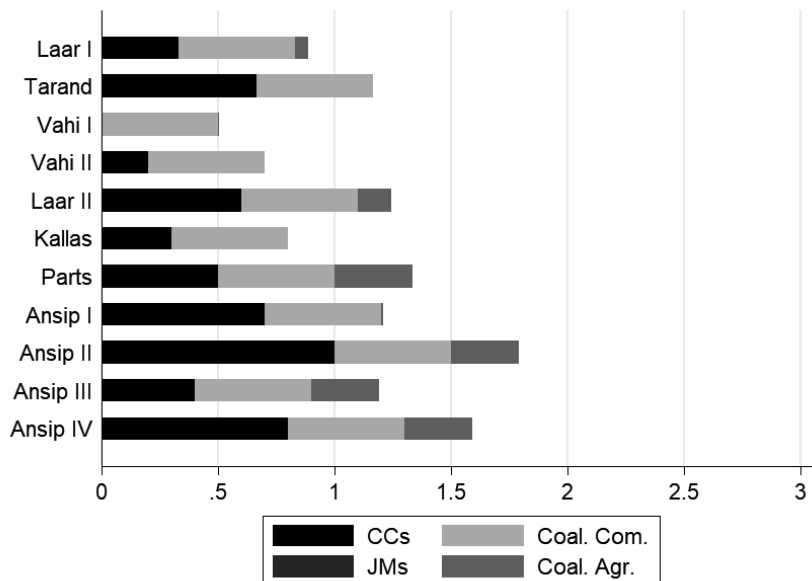
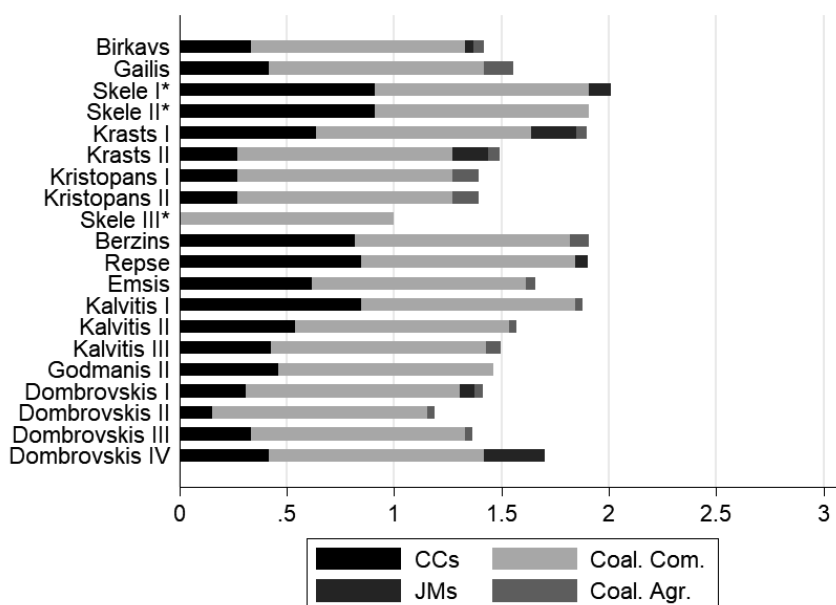


Figure 28: IMOM patterns in Estonia

In Estonia oversight in coalition cabinets is mostly carried out by using Committee Chairs to oversee the ministers from coalition partners' parties. Cross-appointing Junior Ministers is not used, and Coalition Committees play a rather weak role. The importance of Coalition Agreements is significant and has increased through time.

In Latvia, the situation is rather different. Though Committee Chairs are responsible for a significant part of the overall oversight, a much higher emphasis is placed on Coalition Committees and, in some cases, shadowing Junior Ministers is also used. Coalition Agreements, however, play only a marginal role.



* Incomplete data

Figure 29: IMOM patterns in Latvia

Finally, in Lithuania all oversight mechanisms are employed to some extent. Just like in Estonia, a bulk of oversight is carried out using Committee Chairs and Coalition Agreements play an increasingly important role. Also, just like in Latvia, experimentation with using JMs for oversight is present to an extent. Furthermore, since all IMOMs are used in Lithuania quite extensively, the overall intensity of oversight is higher as well.

Coming back to the issue of democratic regime type raised in the Introductory Chapter, it is hard to clearly answer whether the fact that Lithuania has a semi-presidential system has had any effect on IMOM use. On the one hand, the president does play a role in coalition cabinets, especially during the coalition formation phase, when potential cabinet members are nominated. Furthermore, we can observe that the overall IMOM use is significantly higher compared to the other two Baltic states (see Table 19). However, these two things are not causally related: though in some aspects IMOM use in Lithuania differs from that in Latvia and Estonia, this does not appear to be a result of a more pronounced role of the president in Lithuanian political system.

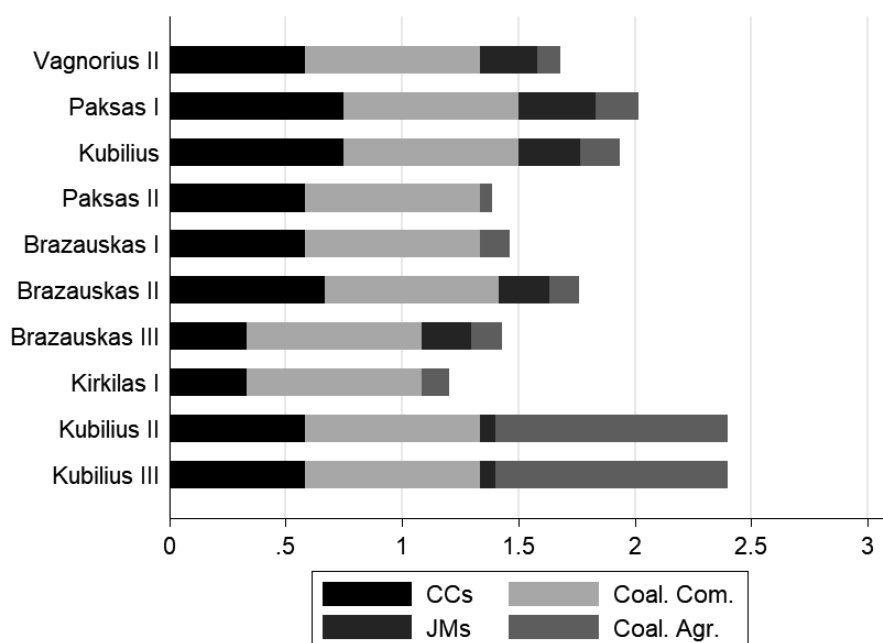


Figure 30: IMOM patterns in Lithuania

Patterns of IMOM use in the Baltic states

Having said that IMOMs in the Baltic states have been used in a fairly similar manner and that there are no distinct differences between the different cabinets or different states, we can still seek to identify certain IMOM patterns based on the subtle differences that exist between the cabinets. To this end, the IMOM scores have been recoded into a four-point ordinal scale. Scores for each IMOM were assigned to each cabinet in the following manner: if a cabinet score for a certain IMOM was in the first quartile, it received a designation of “--”; it was in the second – “-”; a “+” if it was in the third and “++” if it was in the fourth quartile.

Imposing such ordinal scale on the cabinets helps to amplify the existing cross-cabinet differences. This is an effective technique to expose the underlying variation and make it more apparent. However, it is of paramount importance not to lose sight of the fact that the analysis below merely helps to make subtle differences more visible rather than expose a significant variation in how IMOMs were used in the Baltic coalition cabinets. Table 16 shows the scores for the Baltic coalition cabinets recoded to the four-point ordinal scale.

Table 16. IMOM use in Baltic coalition cabinets

Cabinet	Committee Chairs	Junior Ministers	Coalition Agreements	Coalition Committees
EE				
Laar I	-	--	-	-
Tarand	++	--	--	-
Vahi I	--	--	--	-
Vahi II	--	--	--	-
Vahi III	--	--	--	-
Siimann	--	--	+	-
Laar II	+	--	++	-
Kalls	-	--	--	-
Parts	-	--	++	-
Ansip I	++	--	--	-
Ansip II	++	--	++	-
Ansip III	-	--	++	-
Ansip IV	++	--	--	-
LT				
Vagnorius	+	++	+	+
Paksas I	++	++	++	+
Kubilius I	++	++	++	+
Paksas II	+	--	-	+
Brazauskas I	+	--	+	+
Brazauskas II	++	++	+	+
Brazauskas III	-	++	+	+
Kirkilas	-	--	+	+
Kubilius II	+	--	++	+
Kubilius III	+	--	++	+
LV				
Godmanis I	--	--	--	++
Birkavs	-	+	-	++
Gailis	-	--	++	++
Skele I	++	++	--	++
Skele II	++	--	--	++
Krasts I	+	++	-	++
Krasts II	-	++	-	++
Kristopans I	-	--	+	++
Kristopans II	-	--	+	++

Cabinet	Committee Chairs	Junior Ministers	Coalition Agreements	Coalition Committees
Skele III	--	--	--	++
Berzins	++	--	+	++
Repse	++	--	--	++
Emsis	+	--	-	++
Kalvitis I	++	--	-	++
Kalvitis II	-	--	-	++
Kalvitis III	-	--	-	++
Godmanis II	-	--	--	++
Dombrovskis I	-	--	-	++
Dombrovskis II	--	--	-	++
Dombrovskis III	-	--	-	++
Dombrovskis IV	-	++	--	++

One of the best ways to identify the underlying patterns in the data is to employ data visualization techniques. However, since we seek to evaluate how different coalition cabinets are positioned based on four variables (the four IMOMs), we need to use some dimensionality reduction techniques prior to visualizing them in a two-dimensional space. To this end, Multidimensional Scaling⁷ was used, which helped to produce Figure 31 below.

⁷ “Classical” variant of MDS was used, calculations were done on STATA 14.

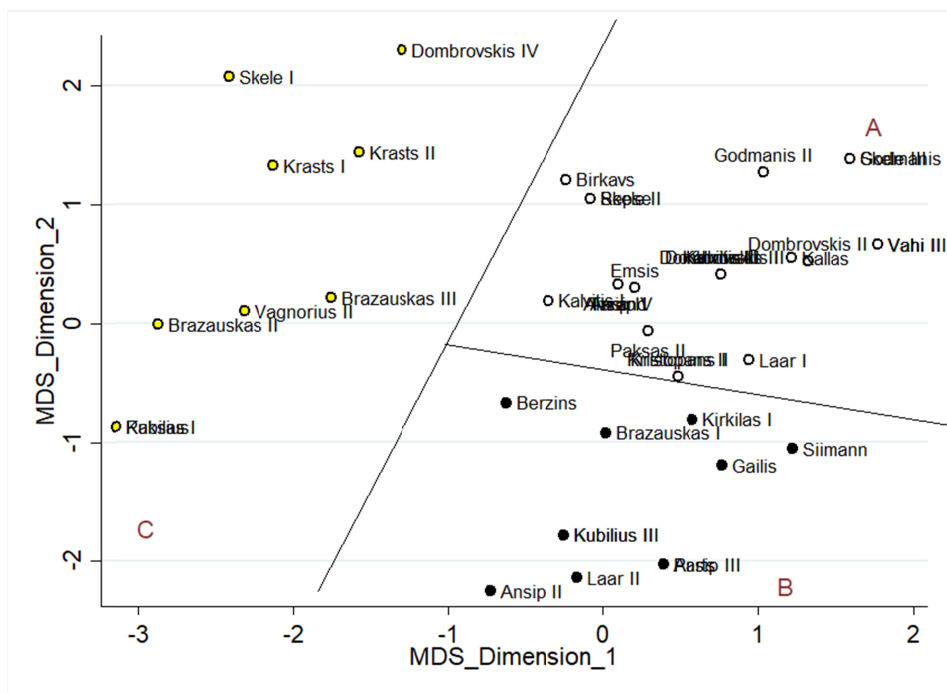


Figure 31. Cabinet clusters

As could be expected, cabinets are quite closely clustered together. Nonetheless, it is possible to identify three clusters: Cluster C – on the left side of Figure 31; Cluster B – Right side, bottom of the figure; and Cluster A – Right side, top of the figure.

The main defining feature of Cluster C is that the cabinets in that cluster used Junior Ministers for oversight. The main feature of Cluster B is that the cabinets in that cluster prepared lengthy and more comprehensive Coalition Agreements. Meanwhile, the cabinets in Cluster A did not use Junior Ministers and prepared shorter/less comprehensive Coalition Agreements. Cabinets and the clusters they belong to are presented in Table 17.

Table 17. Cabinets and clusters

Cabinet	Country	Cluster	Cabinet	Country	Cluster
Ansip I	EE	a	Brazauskas II	LT	b
Ansip IV	EE	a	Brazauskas III	LT	b
Kallas	EE	a	Kubilius I	LT	b
Laar I	EE	a	Paksas I	LT	b
Tarand	EE	a	Vagnorius	LT	b
Vahi I	EE	a	Krasts I	LV	b
Vahi II	EE	a	Krasts II	LV	b
Vahi III	EE	a	Skele I	LV	b
Paksas II	LT	a	Ansip II	EE	c
Birkavs	LV	a	Ansip III	EE	c
Dombrovskis I	LV	a	Laar II	EE	c
Dombrovskis II	LV	a	Parts	EE	c
Dombrovskis III	LV	a	Siimann	EE	c
Dombrovskis IV	LV	a	Brazauskas I	LT	c
Emsis	LV	a	Kirkilas	LT	c
Godmanis I	LV	a	Kubilius II	LT	c
Godmanis II	LV	a	Kubilius III	LT	c
Kalvitis I	LV	a	Berzins	LV	c
Kalvitis II	LV	a	Gailis	LV	c
Kalvitis III	LV	a			
Kristopans I	LV	a			
Kristopans II	LV	a			
Repse	LV	a			
Skele II	LV	a			
Skele III	LV	a			

Here we can also observe that clusters did not perfectly follow national lines, but in many ways cabinets' cluster membership is influenced by national institutional contexts. Lithuanian cabinets, are mostly split between Clusters B and C (with Paksas II being the only exception), as both Coalition Agreements and Junior Ministers are employed to a relatively large extent in Lithuania. Latvian cabinets are mostly in Cluster A, as Junior Ministers are used rather rarely and Coalition Agreements in Latvia tend to be shorter. Finally, Estonian cabinets are almost equally split between Clusters A and C, as Junior Ministers are not used for oversight in Estonia and the length of the Coalition Agreement varies (especially between the first and later cabinets).

These clusters help to identify three patterns of IMOM use that occur in the Baltic states. The Low-oversight pattern, corresponding to Cluster A mostly relies on Committee Chairs for oversight. Junior Ministers are not used and Coalition Agreements are employed only to a moderate extent. The Agreement pattern, corresponding to Cluster B, relies on a combination of Committee Chairs and Coalition Agreements for oversight. Junior Ministers are not used. Cabinets with such IMOM pattern mostly have occurred in the second half of the period, analyzed in this dissertation, as coalition parties had to learn how to effectively and efficiently draft Coalition Agreements.

Finally, the Junior Minister pattern mostly differs from others that it relies a lot on using the Junior Ministers for oversight, while the reliance on other IMOMs varies. These cabinets mostly had some internal tensions from the beginning of their tenure and it was decided that additional layer of oversight would be beneficial. Though, most often it did not yield expected results.

Total intensity of oversight

Having analyzed IMOMs individually as well as the patterns they form, we can move on to answering the main questions of this dissertation: a. how well does the model with two groups of IVs: 1. coalition make-up factors, and 2. oversight costs factors, explain the IMOM use?; b. Does the model performance improve when IMOMs are analyzed collectively rather than individually?

This requires us to determine a way to assess the usage of IMOMs collectively rather than individually. In other words, it requires a way to turn four different scores for each of the IMOMs into a single measure. There are many ways to achieve this, each involving its own benefits and compromises. Since the nature of IMOMs is that they are essentially different means to address the same problem, and none of them is essential for others to be effective, one of the best ways to create an index of IMOM use would be a simple addition, where values of different IMOMs are summed to measure the total intensity of oversight. This way of creating an index is good, because it is simple, intuitive, and robust.

However, it also has a drawback, since it essentially involves adding the share of certain type of Committee Chairs to the number of pages in the Coalition Agreement to draw conclusions about the overall system of mutual oversight in the cabinet coalition. This is a problematic aspect of using any indices. Fortunately, in this dissertation, we can rely on the collected data and accounts of individual IMOM use in the Baltic states established in the preceding chapters to ensure that this index adequately reflects and does not distort the reality.

By adding up the scores of individual IMOMs, a new variable “Total use of IMOMs” is created. This new variable can in theory range between 0 and 4, with 0 meaning that no IMOMs are used at all, and 4 meaning that all of them are used to their fullest extent. In the Baltic states the Total use of IMOMs ranged between 0.5 and 2.4. On average it was highest in Lithuania and lowest

in Estonia (see Table 18), the difference being statistically significant. Furthermore, Total use of IMOMs also varied through time and had an observable tendency to increase, as indicated in Figure 33.

Table 18: Total use of oversight in the Baltic states

	Total use of IMOMs (mean)	Total intensity of IMOMs (standard deviation)
Estonia	1.00	.35
Latvia	1.55	.31
Lithuania	1.64	.46

The Model

The first part of the dissertation formulated five hypotheses, how the factors associated with the coalition make-up factors and costs of using IMOMs should affect the way IMOMs are used and the intensity of their use. Additionally, it was suggested that IMOMs can be best understood as a comprehensive system of oversight and, therefore, should be analyzed together rather than separately. In this section, we evaluate the model and determine whether the initial hypotheses were verified.

Table 19 presents the results of the multivariate regression models. There are four sets of independent variables: M1 – coalition make-up factors model with the number of parties in a coalition and the ideological distance between them as the independent variables; M2 – costs of using IMOMs model with coalition experience, minority coalition and country dummies and the independent variables; M3 – model bringing together both sets of variables in their original form; M4 – a standardized and normalized version of M3. These four sets of variables were used to explain four dependent variables: 1. intensity of shadow Committee Chair use; 2. intensity of shadow Junior Minister use; 3. comprehensiveness of Coalition Agreements (Coal. A); and 4. total use of IMOMs. Coalition Committees have been omitted from analysis as a separate IMOM, because of how the scores were assigned. However, they are included in the total use of IMOMs index.

First, it is important to note that R squares for total use of IMOMs are consistently higher than for any individual IMOMs in all four models. This lends credence to the approach used in this dissertation that IMOMs ought to be studied not individually, but to together as a comprehensive system of oversight.

Moving on to the specific hypotheses, all variables identified in the model had a significant effect on the total use of IMOMs, though in some cases the effect was in the opposite direction than anticipated.

H1: As the ideological distance between coalition partners increases, the IMOM usage increases.

Table 19: Model results

		CCs	JMs	Coal. A.	T_IMOMs
M1	Ideological diversity	-.04 (.06)	-.02 (.02)	.00 (.05)	-.2*** (.09)
	Number of coalition partners	.11*** (.03)	.02* (.01)	.00 (.02)	.21*** (.04)
	Constant	.15** (.08)	.02*** (.03)	.14** (.07)	1*** (.13)
	N	46	46	46	46
	R2	.32	.05	.01	.38
M2	Coalition experience	.01 (.02)	.00 (.01)	.03*** (.02)	.04 (.03)
	Minority cabinet	.2*** (.08)	-.04 (.06)	-.04 (.06)	-.25*** (.12)
	LT	.00 (.02)	.07** (.04)	.3*** (.07)	.12 (.15)
	EST	-.04 (.1)	-.04 (.03)	.11* (.07)	-.48*** (.14)
	Constant	.51*** (.1)	.05 (.03)	-.05 (.07)	1.51*** (.15)
	N	46	46	46	46
	R2	.12	.22	.28	.37
M3	Ideological diversity	-.11* (.06)	-.03 (.02)	-.04 (.05)	-.18** (.09)
	Number of coalition partners	.14*** (.03)	.02** (.01)	.02 (.02)	.19*** (.04)
	Coalition experience	.01 (.02)	.00 (00)	.03** (.01)	.04* (.03)
	Minority cabinet	-.1 (.07)	.01 (.02)	-.03 (.06)	-.11 (.11)
	LT	.2** (.1)	.1*** (.04)	.33*** (.08)	.37*** (.15)
	EST	.19** (.09)	.00 (.03)	-.16 (.14)	-.16** (.14)
	Constant	.02 (.05)	.02 (.05)	.9*** (.2)	.9*** (.2)
	N	46	46	46	46
	R2	.43	.29	.29	.58
M4	Ideological diversity	-.07* (.04)	-.02 (.02)	-.03 (.04)	-.12** (.06)
	Number of coalition partners	.24*** (.05)	.04** (.02)	.04 (.04)	.32*** (.07)
	Coalition experience	.02 (.04)	.00 (.01)	.06** (.03)	.09* (.05)
	Minority cabinet	-.09 (.07)	.01 (.02)	-.03 (.06)	-.11 (.1)
	LT	.19** (.1)	.09*** (.04)	.32*** (.08)	.37*** (.14)
	EST	.19** (.09)	.00 (.04)	.16** (.08)	-.16 (.14)
	Constant	.4*** (.07)	.02 (.03)	.00 (.05)	1.43*** (.09)
	N	46	46	46	46
	R2	.43	.29	.29	.58
* $p < .15$; ** $p < .1$; *** $p < .05$					

Ideological diversity of a coalition has a significant effect on the total IMOM use in all the models. However, this effect is negative, indicating that as the distance between the coalition partners increases, the overall intensity of IMOM use decreases. In other words, the effect of the ideological diversity of the coalition is totally opposite than was expected. It is not possible to provide a full explanation why that is so within the confines of this chapter, but the most plausible explanation is that ideologically diverse coalitions tend to move towards an abdication or ministerial autonomy model of governance.

Some of the interviewees from the Estonian Reform Party said the following, when asked about being in an ideologically diverse coalition with the Center Party:

“... it was a very rational cabinet – we had a very limited number of things we agreed on, and we did them.”

“[with other parties] it is more difficult – we can agree on quite many things, but there’s a danger that the other parties will interpret that in a different way, so we need to write everything down in detail on paper.” (Lang 2016)

This demonstrates that ideologically diverse coalitions function in a different manner than those composed of similar parties. Such coalitions are perceived as incapable of carrying out substantial reforms or enacting major changes; therefore, coalition partners simply try to identify a small number of sensible little policy changes where they can both agree on and focus on those areas. Having such a limited policy program diminishes the danger for agency shirking, as ministers do not really have where to shirk or where to deviate from the Coalition Agreement, thus reducing the need for oversight.

How does this finding relate to the previous studies which established a link between the ideological distance and oversight (Carroll and Cox 2012; Martin and Vanberg 2004; Dong Hun and Loewenberg 2005)? It is difficult to say, because these studies focused on different things. They looked at how the ideological distance of an individual cabinet member affected the possibility that that member would be shadowed by a Junior Minister or a Committee Chair. By contrast, this dissertation analyses how the ideological diversity of the coalition as a whole affects the use of all IMOMs. These two aspects of IMOM use are not in conflict with each other, as it is possible that in an ideologically diverse coalition overall use of IMOMs might be lower than in a coalition made-up of ideologically similar parties, yet at the same time, the most extreme cabinet members in a diverse coalition would be the ones shadowed by Junior Ministers or Committee Chairs.

H2: As the number of coalition partners increases, IMOM use increases.

The number of coalition partners has a moderately strong significant effect in all the models, which means that the second hypothesis is confirmed.

H3: Coalitions made-up of parties with more coalition experience use IMOMs more intensely.

Overall, this hypothesis is rejected, as the amount of coalition experience has either very weak or no effect on the overall IMOM use. However, it cannot be said that this variable is not significant. Previous chapters demonstrate that coalition experience has a significant effect on the use of individual IMOMs, particularly Coalition Agreements. Therefore, though it does not affect the overall IMOM use, coalition experience influences which individual IMOMs are used more intensely.

H4: Minority coalitions use IMOMs to a lesser extent than majority backed coalitions.

Overall, this hypothesis is rejected, as minority cabinet variable did not have a significant effect in all the models. However, it does not mean that this factor had no effect. The results above demonstrate that minority cabinet variable had a significant effect in the second model, which considered only the costs of using IMOMs. Furthermore, previous chapters have demonstrated that minority coalition cabinets do indeed use certain IMOMs, like Committee Chairs in a different manner compared to majority-backed coalitions.

In other words, research carried out in this dissertation found some evidence supporting the hypothesis, but not enough for it to be confirmed. However, more research on this matter is needed. Future studies with bigger sample sizes and more statistical power could help to settle this issue with more certainty.

H5a: Specific features of the national institutional contexts in different countries do not affect the overall IMOM use.

This hypothesis is rejected, as the data in the Table 18 indicates, specific national institutional context do play a part in the overall IMOM use. These differences persist, even when controlling for other relevant variables.

Because IMOMs function not in a vacuum, but in a specific institutional environment, their use is affected by many pressures that environment exerts on them. For example, as mentioned in Chapter Five, addressing the use Junior Ministers to shadow cabinet members, the same IMOM can mean a variety of different things in different countries. A Junior Minister in Latvia is first and foremost perceived as a minister's liaison in parliament, whereas in Lithuania, for the most time Junior Ministers acted as heads of specific ministerial departments. Different placement in the institutional structure and the overall role of the Junior Ministers definitely affects how well a JM can function as an IMOM. All IMOMs without an exception are affected by these pressures from the national institutional contexts which is reflected both in preferences for specific IMOMs as well as the overall intensity of their use.

H5b: However, the specific features of national institutional contexts in different countries affect the popularity of individual IMOMs.

The first part of this chapter described the patterns of IMOM use in the Baltic states. Though no clear IMOM patterns emerged, there were some subtle differences emerging across the national lines, which lend support for this hypo-

thesis. It is important to note that, due to their similar institutional structure, the environment in the Baltic states is not really suitable for truly distinct IMOM patterns to emerge. Nonetheless, seeing some differences in IMOM patterns, though quite subtle, means that this hypothesis is confirmed. As mentioned earlier, due to specific national institutional contexts, environment in which IMOMs function differs and that really has an impact on the preference for specific IMOMs.

Finally, the last outstanding question remains – how generalizable are the findings from this dissertation and to what extent they can be applied to other newly democratized states? On one hand, this dissertation approached the analysis of IMOMs and their patterns to a certain degree sacrificing width and generalizability for depth and detail. The scope of the analysis was limited to the Baltic states precisely for the reason that with a smaller sample, it would be possible to gather richer qualitative evidence and to achieve a more in-depth understanding of how IMOMs function in these systems.

On the other hand, this dissertation did uncover some aspects, how the Baltic states differ from the other countries in Western/Northern Europe. For instance, one of these aspects is that in Lithuania, Latvia, and Estonia Committee chairs preferred vehicle for mutual oversight, whereas the Junior Ministers are used to a much smaller extent of at all. It is suggested in Chapter Five that one reason for this might be the lack of strict proportionality requirements governing how committee chairmanships are allocated between the PPGs. Absence of these rules, in turn, allow the governing parties to amass disproportionately large shares of committee chair positions, which can then be used for oversight. While, it would not be unreasonable to expect that the newly democratized states in Europe in this matter could resemble the Baltic states more than their neighbors in Western/Northern Europe, this matter needs to be thoroughly tested.

Summary

Cabinets in the Baltic states have differed in how they have used IMOMs to ‘keep tabs’ on their coalition partners. However, the differences are often subtle and no distinct patterns have emerged. What we can talk about are rather subtle differences, which are primarily manifested in a slightly stronger reliance on some IMOMs rather than others. These differences are mostly shaped by the national institutional contexts and emerge along national lines.

In Estonia, the oversight is carried out by formulating an extensive Coalition Agreement and relying on Committee Chairs to shadow ministers. Coalition Committees are present, but function in a very formal way, mostly just coordinating the passage of bills through the various stages of the legislative process. Junior Ministers are not used at all. In Latvia, Committee Chairs carry out a bulk of oversight as well, though the main vehicle for coordination and oversight are the Coalition Committees. Coalition Agreements in Latvia tend to be less comprehensive and Junior Ministers are used as IMOMs only in excep-

tional circumstances. Finally, in Lithuania just like in the two other Baltic states Committee Chairs are used extensively to shadow ministers and comprehensive Coalition Agreements have become increasingly common. Junior Ministers are used rarely, but to a higher degree than in Latvia or Estonia. Coalition Committees are more active than in Estonia, but less prominent than in Latvia.

These tendencies or subtle patterns have not been stable and have evolved through time. Overall, the total intensity of oversight has increased over time and more emphasis is placed on creating a comprehensive Coalition Agreement in order to prevent potential disagreements during the time in office.

The model to explain IMOM use performed quite well and the general approach to IMOMs as a comprehensive system of oversight was validated, as the explanatory power of the model increased when IMOMs were analyzed together rather than individually. Three of the initial hypotheses were confirmed, while the remaining two were not. Data analyzed confirmed that IMOM use is positively associated with the number of parties in a coalition and the amount of coalition experience.

However, contrary to our expectations ideologically diverse cabinets were shown to use less IMOMs. Though more research is needed to determine the precise nature of the relationship between the cabinet diversity and the IMOM use, there is some evidence demonstrating that diverse cabinets simply commit themselves to a very small limited number of policy goals and do not embark on major reforms. Such limited policy ambitions limit the possibility of shirking and, therefore, the demand for IMOMs.

Furthermore, it demonstrated that minority cabinet variable was significant in the second model, considering only the costs of oversight. However, the effect disappeared when all factors were analyzed together. This means that the fourth hypothesis has to be rejected for now, but more thorough analysis with larger sample sizes are needed to fully determine if minority cabinets do indeed use IMOMs in a systematically different manner.

Finally, national institutional contexts were shown to have an impact on not only the preference for specific IMOMs, but also the total volume of their use. Coalition cabinets in different countries face different pressures from their respective institutional environments, therefore, they face different levels of delegation hazards and different levels of information asymmetry. For these reasons the overall demand for IMOMs which mitigate these problems differs, just like the overall intensity of their use.

Chapter 9: Do IMOMs have observable effects?

In the main part of the dissertation IMOMs are analyzed as the dependent variable, looking for factors that might account for patterns of IMOM use in the three Baltic states. In this last chapter, we take the analysis further and look into the consequences of IMOM use. More specifically, the chapter focuses on whether cabinets that have used IMOMs intensely and those that have not differ in any meaningful way. Due to their informal nature and the small number of cases the effect of IMOMs is hard to estimate, but some support is found for the thesis that IMOMs contribute to the longevity of the cabinets.

Answering the question whether IMOMs have any effect is difficult. This is mostly because if the overall system of mutual oversight works well and each individual IMOM functions like it should, nothing happens; coalition cabinets go about doing their daily duties and take care of business as usual. Only if IMOMs fail to prevent an instance of shirking and coalition partners find themselves in conflict, something happens that can be observed, counted or measured. IMOMs, therefore, present researchers with a substantial puzzle – how to measure the absence of conflict?

IMOMs function as means to prevent conflict and to ensure the smooth functioning of the coalition. Therefore, one of the ways to measure their success and impact would be to look at the instances when they failed or were used to an insufficient extent. By doing so, we could catalogue under what circumstances these failures occurred and under what circumstances the system prevailed. There are a couple ways how this could be done and none of them is ideal.

First, one could try to measure the number of instances when one coalition partner shirked from the Coalition Agreement in order to pursue their own personal goals. However, doing that is nearly impossible, as in some cases coalition partners would try to address such situations in private without informing the public, therefore acquiring valid and reliable data would be nearly impossible.

Second, one could try to count the number of conflicts among coalition partners, as they are reported in the media. However, that also is problematic, as sometimes, especially right before the elections, coalition partners might stoke a conflict on purpose to gain additional exposure in the media and stand out from other parties in the coalition. In other instances, by contrast, coalition partners might seek to downplay their disagreements for fear of ‘rocking the boat’ and seek to preserve good relations with their coalition partners.

In this dissertation we focus on a more tangible aspect, coalition cabinet longevity. If a coalition cabinet stays together for a long period, it is a good indicator that the informal system of mutual oversights works well and successfully mitigates potential conflicts between coalition partners.

However, this approach also has its flaws, the biggest being that coalition cabinets can be terminated due to a variety of reasons. Here we seek to mitigate this effect by excluding the cabinets which were formed in the middle of the parliamentary term. Yet, even then it is possible that some of the cabinets were terminated early due to some external shock that had nothing to do with the

relations between the coalition partners (Damgaard 2010). Nonetheless, the cabinet longevity approach is the least problematic of the possible alternatives and, therefore, it is used in this study.

There are 15 coalition cabinets in the Baltic states that fit the aforementioned criterion. They are presented in Figure 32. Their total intensity of oversight scores range from 0.5 to 2.4 and the duration from just about two months to three years and three months. However, it is important to note that the cabinet duration is counted here based on the definition of the cabinet change outlined in the first part of the dissertation.

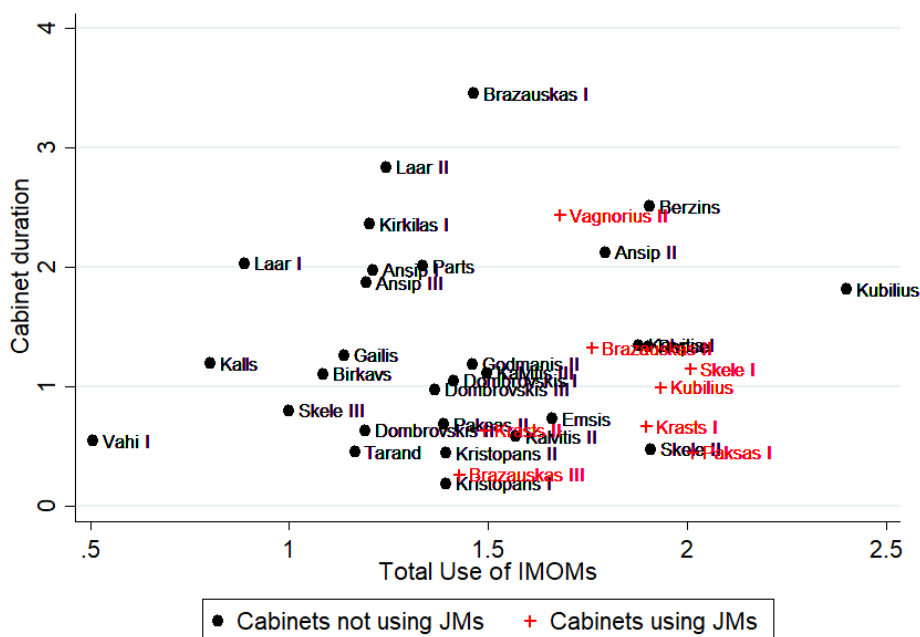


Figure 32: Total intensity of oversight and cabinet duration

As such, the data in Figure 32 reveal very little, as the longevity of coalition cabinets has varied substantially. Seeing that the relationship between the two variables is not linear by any means, using OLS regression would not be approach. However, we can perform a Pearson correlation analysis, which shows that these two variables are correlated in a positive way. The correlation is 0.2 which is rather weak but it is statistically significant.

Finally, it is worth coming back to the IMOM patterns outlined in the previous chapter. In Figure 32, cabinets following the Junior Minister oversight pattern are highlighted. As can be visible from the figure, they tend to occupy (with the exception of the Vagnorius cabinet) the bottom right of the cabinet

cluster, meaning that these cabinets lasted the shortest among all the cabinets with similar levels of IMOM use.

This should not be interpreted as a sign that such IMOM pattern negatively contributes to the cabinet longevity, however. As outlined before, in Chapter Five, it is usually the cabinets which are suffering from some sort of internal tensions or conflicts from the beginning of their tenure that opt to use Junior Ministers as an additional layer of oversight in the first place. Hence, it is not at all surprising that such cabinets tend not to last very long in office. Therefore, it could be argued that both phenomena – the choice to use Junior Ministers for oversight and short life-span of these cabinets – are together caused by the same external variable: pre-existing tensions among coalition partners.

It is rather impossible to pursue this investigation further, given our limited sample and the potential influence of external effects. Overall, these findings are not sufficient to say anything definitive about the impact of IMOMs on cabinet longevity. However, the significant correlation is interesting and merits more detailed inquiry in the future.

However, when looking into the potential impacts of IMOM use, one always has to keep in mind that the main benefit they provide is indirect: they enable the coalition partners to coordinate their policies more efficiently without the fear of shirking or defection. That, in turn, allows the cabinet coalition to move away from inefficient governance through abdication to a more Pareto-optimal governance through policy coordination.

Therefore, the most important finding that supports the claim that IMOMs matter and they are perceived as a very important part of coalition governance is that their use has increased over time. Figure 33 shows the mean value of total use of IMOMs per year in the three Baltic states. If coalition partners are willing to pay the costs of oversight and use IMOMs, that means that they have faith in these oversight institutions and think that they can work. If, in addition to making governance easier and more effective, IMOMs allow cabinets to stay in office longer, then it is an added bonus, further encouraging IMOM use, but never being the main reason in and of itself.

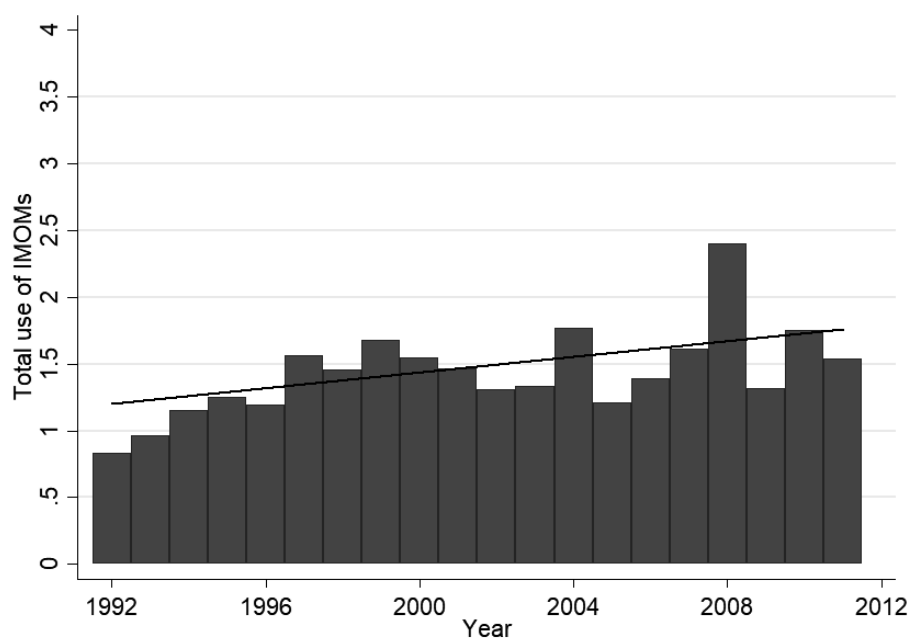


Figure 33: Total use of IMOMs through time

CONCLUSIONS

This dissertation set out to achieve two major goals: 1. to provide a rigorous explanation of what factors influenced the manner and intensity of the use of informal mutual oversight mechanisms in coalition cabinets; 2. to provide a rich and comprehensive account of how IMOMs function in the Baltic states, with a special focus on how their use has evolved through time. Though the empirical sample here draws exclusively from the experience of the Baltic states, these findings could also be used as a set of expectations to be empirically tested in the future for other newly democratized states in Europe, which also adopted oversight practices from Western European countries, but did so at a very rapid pace.

While fulfilling these goals, this study has offered three main contributions to the field of coalition governance studies: 1. analytical – shifting focus from the individual IMOMs to how they function as a comprehensive system of oversight; 2. theoretical – examining the influence of two new/understudied variables: coalition cabinet type and coalition experience; 3. empirical – providing a rich and detailed account of mutual oversight systems in the Baltic states which was previously lacking.

Despite outstanding contributions to the field of mutual oversight in coalition governments, our knowledge of the matter is fragmented and incomplete because previous contributions centered on analyzing how a single oversight mechanism (or a pair of them) functions in a particular set of countries. This approach allowed to uncover the basic logic of using informal mutual oversight mechanisms and most common patterns of their use. However, that did not allow us to explore how these mechanisms interact with each other and how the patterns of their use are shaped by the institutional make-up of the respective political systems. Therefore, the approach taken in this dissertation – to analyze a set of four of these informal mutual oversight mechanisms as a comprehensive system of oversight – provides a chance to combine existing knowledge in the field by extending hypotheses which in previous studies were tested on a particular IMOM, but not on the others (e.g. the effect of coalition experience on IMOMs other than Coalition Agreements), and to fully exploit existing complementarities between approaches. As Chapter Eight demonstrated, this approach was generally successful, as the explanatory power of the analytical model increased when IMOMs were analyzed together rather than individually.

This dissertation views the informal mutual oversight mechanisms as a necessary, though imperfect, answer to the problems plaguing coalition cabinets. Coalitions, by default, are made up of at least two distinct actors with competing, if not conflicting goals. Governing together, therefore, is a constant endeavor to ensure that each of these actors would pursue the interests of the coalition as a whole and not those of their own party. This challenge is often made more complicated by the fact that the ministerial defection in favor of one's own party is more likely to be rewarded rather than punished. In such situations, coalitions are faced with a stark choice: either to govern by

abdication, allowing each cabinet member to pursue their own goals or try to coordinate their policies to make them more suitable for the entire coalition. Governing by abdication eliminates the danger of shirking or defection, as each member is free to pursue their own goals anyway. However, this approach is also very rigid, and does not allow for adjustments or adaptation to the change in circumstances. Moreover, it most certainly leads to sub-optimal policy outcomes. Trying to coordinate can produce better and more stable policy, but at the same time forces cabinet members to enact compromises which they may not like, thus creating incentives and temptations for shirking.

IMOMs emerge in this situation as a means to reduce the uncertainty and to discourage defection. These mechanisms help to mitigate delegation losses by establishing information channels for eliminating the informational advantage held by a minister. Additionally, they can impose sanctions on the misbehaving party to deter agency shirking. The very nature of coalition cabinets does not allow coalition partners to use formal means to hold the executive accountable, such as ministerial interpellations or votes of no-confidence. These actions would be perceived as too hostile and would risk breaking up the coalition. Furthermore, using formal accountability mechanisms is also not desirable because all the parties in the coalition stand to lose from airing their dirty laundry in public. For this reason, oversight in coalition cabinets is carried out informally, mostly by using mechanisms that have a well-established formal function, but can act as an oversight tool simultaneously. Four such mechanisms are analyzed in this dissertation: 1. strategic appointment of Committee Chairs; 2. Junior Ministers; 3. Coalition Agreements; and 4. Coalition Committees. Together, they form a system of mutual oversight in coalition cabinets and help coalition partners to 'keep tabs' on each other.

Based on existing research, and the extension of existing theoretical frameworks, this dissertation uses a five-factor model to explain the intensity of use of these mechanisms. These factors can be divided into two groups: relating to the coalition make-up factors and cost of IMOM use. The first group of factors associates the intensity of IMOM use with the demand for oversight in a coalition. As coalitions can take on a variety of forms, it is natural to expect that they will differ in the overall demand for oversight. The first factor is the ideological heterogeneity of a coalition. Since as the distance between the coalition partners grows, the coalition compromises become more distant from the ideal preferences of each partner, the incentives to shirk rise. Consequentially, we can also expect the demand for IMOMs and the intensity of their use to increase.

The second factor is the number of partners in a coalition. As this number increases, coalitions become more difficult to manage and the possibility of shirking increases. Therefore, second hypothesis states that the number of partners in a coalition is positively associated with IMOM use

The second set of factors relates to the cost of IMOM use. Using IMOMs always involves costs, occurring due to a variety of reasons, at a very least because using these mechanisms signals lack of trust among coalition partners and can be perceived as intrusive. However, these costs could increase or

decrease depending on a number of circumstances. First, we expected that cabinet parties with time would become better at carrying out mutual oversight and would manage to do it more efficiently and effectively. This, in turn, would allow for better coordination among partners and more intensive IMOM use.

Furthermore, we expected that intensity of IMOM use would be contingent on the amount of resources in a coalition's possession. Minority coalitions need the support of opposition parties to assume office and to pass legislation. In turn, they have to allocate some of the resources (mega-seats or agenda items) to these opposition parties. Consequentially, this would leave cabinet parties with fewer resources for mutual oversight, which would mean less intensive IMOM use. Finally, we can expect that the national institutional environment exerts an influence on IMOM use. More specifically, we expected that national institutional contexts would impact preferences for certain IMOMs, but would not affect the intensity of oversight as a whole.

The empirical analysis revealed that all the identified factors had a significant effect on IMOM use either taken together and or for some of the individual IMOMs. However, in some cases the effects were small and sometimes ran in the opposite direction than expected. We found a negative association between the ideological diversity of a coalition and IMOM use. Interview data suggest that this happens mostly because ideologically diverse cabinets tend to lean towards abdication governance. They seek to accomplish only a limited number of tasks and achieve goals on which all partners agree without making painful compromises. Such an approach to governance leaves very limited room for shirking or defection, hence reducing the need for IMOMs.

The second hypothesis was confirmed: we found robust evidence that the number of coalition partners is positively associated with more intensive IMOM use. This result is significant for both overall IMOM use as well as for two individual IMOMs – CCs and JMs.

We found some evidence supporting the third hypothesis that coalition experience is positively associated with IMOM use. However, the overall effect was weak and very unevenly distributed across the individual IMOMs. As expected, we found that it has the strongest effect on the comprehensiveness of Coalition Agreements. However, overall evidence supporting this association remain weak.

Next, we found some support for the claim that IMOM use depends on the coalition cabinet type, namely that minority cabinets have use IMOMs less intensely. Minority cabinet variable had a significant effect in some of the models and the data have demonstrated that minority cabinets use certain IMOMs, like the committee chairs, less intensely. However, this hypothesis had to be rejected, as this evidence was not sufficient to claim that the forth hypothesis is confirmed.

Finally, contrary to the expectations, we found that national institutional environment affects not only preference for specific IMOMs but also the overall intensity of their use. The Baltic states offer plenty examples, how the institutional contexts shape IMOM use. In Estonia, Junior Ministers never became a real institutional component of coalition government. In Latvia, making cabinet meetings open to the media resulted in a situation when a big part of cabinet

deliberation was shifted from cabinet meetings to Coalition Committees. Overall, though the Baltic states offer only subtle differences in the patterns of IMOM use, these differences emerge mostly along the national lines, as the use of IMOMs is path-dependent.

At the same time, even when controlling for the different factors enumerated above, national institutional contexts maintain a significant effect on the overall intensity of IMOM use. On average, IMOMs are used more intensely in Lithuania and less intensely in Estonia with Latvia being in the middle. The differences between the states are statistically significant.

However, despite this difference in the overall volume of IMOM use, the overall patterns of IMOM use in the Baltic states were rather similar. This mostly occurred because the same institutional similarities among the Baltic states which allow to carry out comparative analysis, contributed towards making certain IMOMs particularly useful and attractive. For instance, compared to many Western European states, parliamentary Committee Chairs are rather powerful and the rules appointing them are rather liberal in a sense that there are no strict requirements to maintain the proportionality among different parliamentary party groups when Committee Chairmanships are allocated. For these reasons, using Committee Chairs for oversight in the Baltic states is both easier and more useful than in some Western European countries. It is easier because cabinet parties can simply get more Committee Chair positions than in countries with strict proportionality rules, and it is more useful because Committee Chairs and committees themselves command more power in the Baltic states.

Meanwhile, the usage of Junior Ministers in all three countries is low. In Estonia they are not used at all, while in Lithuania and Latvia they are used sporadically. Evidence suggests that they are mostly used in larger coalitions, when overseeing coalition partners using only CCs becomes increasingly complicated. In the majority of situations, in Lithuania and in Latvia using Junior Ministers for oversight is perceived as being intrusive and signals the lack of trust from the coalition partners towards a particular minister. Qualitative evidence even allows to argue that the Junior Ministers are mostly employed for oversight in cabinets which experienced tensions between the coalition partners from the very beginning. Junior Ministers are employed as possible means to relieve these tensions, but it rarely leads to the expected results.

Coalition Agreements are gaining momentum as an oversight mechanism with their use having increased significantly in recent years, especially in Lithuania and Estonia. This IMOM differs from the others in the sense that it is less related to coalition composition and more strongly associated with each party's coalition experience. More experienced parties tend to opt for longer and more comprehensive Coalition Agreements, as they tend to perceive them as a good way to prevent conflicts among coalition partners and to ensure a smoother tenure in office.

Finally, Coalition Committees emerge as means to fill any gaps in coalition governance model. In Estonia, where the tandem of comprehensive Coalition Agreements and extensive use of shadow Committee Chairs functions well

(partly because in Estonia coalitions have fewer partners and are, therefore, more easily manageable), Coalition Committees have become rather dull and formal, mostly tasked with coordinating the passage of legislation. Such situation even led one of the interviewees to conclude that “...*in cases where you have a good coalition agreement, coalition committees do not have much to do.*” (Lang 2016)

In Lithuania, on the other hand, larger coalition size and substantial alteration between governing parties mean that coalition partners have difficulties negotiating every item on cabinet’s agenda before assuming office and, hence, have to rely on Coalition Committees more heavily to fine-tune aspects of the Coalition Agreement during the governance phase. Finally, in Latvia, the experiment to hold open cabinet meetings where representatives from the media have a right to observe, resulted in a situation when cabinet members have shifted the discussions on more sensitive matters to the Coalition Committees. Therefore, there this institution is the most active and has larger influence over the day-to-day work of the coalition.

Nonetheless, it is possible to employ analytical techniques which can help to make existing subtle differences between the data more apparent. Using a combination of ordinal recoding and multi-dimensional scaling, three clusters of cabinets, corresponding to different patterns of IMOM use emerged. In one pattern, cabinets relied more on comprehensive Coalition Agreements, in a second – they employed shadow Junior Ministers as an additional layer of oversight. Finally, in the third pattern Junior Ministers were not employed and Coalition Agreements were used to a smaller extent, meaning that these cabinets mostly relied on shadow Committee Chairs for oversight. It was demonstrated later that cabinets employing Junior Minister heavy oversight pattern also tended to last in office shorter. However, this was due to the fact that both short cabinet duration and the choice to use Junior Ministers were prompted by pre-existing tensions between the coalition partners. Overall, though it is possible to discern some patterns of IMOM use in the Baltic states, it is important to remember that these patterns emerge only when small and subtle differences between the cabinets are purposely amplified and the overall IMOM use between the Baltic coalition cabinets is rather similar.

The main conclusion from the analysis performed in this dissertation is that, though it is possible to uncover subtle patterns of IMOM use, and to identify factors that could explain the intensity of IMOM use, the way these informal mutual oversight instruments function is still very closely associated with the overall institutional context in which they operate. IMOMs emerge as a way to mitigate the problems associated with the process of power delegation and power sharing between the coalition partners. These problems, in turn, are shaped by the existing institutional environment and the overall political culture. In some cases, where efficient and effective information exchange mechanisms between the executive and legislative branches exist the danger of hidden-action and shirking would be smaller, which would translate into less demand for IMOMs. By contrast, where substantial information asymmetry

persists, the possibility of shirking increases, thus creating more demand for IMOM use. Furthermore, the same IMOM can function in a very different manner depending on the institutional context. As mentioned, differences in committee powers and in Committee Chairmanship allocation rules can result in substantial differences in the degree to which CCs are used to shadow ministers in the Baltic states and Western Europe, while rules regulating how to hold cabinet meetings meant that Coalition Committee influence and roles differ substantially between the Baltic states.

Therefore, for the field to develop further, there is a need for more in-depth case studies, which would analyze how the overall system of oversight functions in each case. Currently, it is possible to piece together the picture of how IMOMs function as a comprehensive system in a small number of European democracies, especially the Low Countries, Scandinavia, and Germany and Austria, but there is persistent lack of data and knowledge about how mutual oversight between coalition partners functions elsewhere. This dissertation has provided a modest contribution to this end by showcasing these systems in the Baltic states, which could provide a reasonably good blueprint and a set of expectations for newly democratized states.

Based on the findings of the dissertation, the future research on IMOMs could be advanced in two ways: first, the findings uncovered in this dissertation, such as ideological distance between the coalition partners negatively contributing to IMOM use or the strong preference towards using committee chairs for mutual oversight over the junior ministers could be tested on a larger sample of countries, preferably on a mixed sample of the newer and older democracies. Having a bigger sample size would allow to overcome statistical limitations of this dissertation and would allow to determine how far can the insights from the Baltic states be extended to other countries.

Second possible avenue for future research would be to still further explore how the different IMOMs interact with one another. This dissertation made some contributions in this area; however, our understanding still remains rather limited. Exploring this avenue further would require gathering a vast amount of qualitative evidence and insider information in order to truly grasp how cabinet members perceive different IMOMs and use them in a systematic manner.

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ANNEX 1: LIST OF INTERVIEWS

Table I: Interviews conducted for the dissertation

No.	Name:	Position:	Date:	Place:
1.	Egidijus Masiulis	Former minister, LLRS	12/03/14	Vilnius
2.	Andrius Kubilius	Former PM, TSLK	13/03/14	Vilnius
3.	Rasa Juknevičienė	Former minister, TSLK	13/03/14	Vilnius
4.	Remigijus Šimašius	Former CC, LRLS	13/03/14	Vilnius
5.	Veiko Spolitis	Former JM, V	01/12/14	Riga
6.	Remo Holsmer	Former CC, RE	25/01/16	Tallinn
7.	Rein Lang	Former minister, RE	15/02/16	Tallinn
8.	Rihards Kols	Former JM, NA	08/03/16	Riga
9.	Edvards Smiltens	Former JM, V	09/03/16	Riga

SUMMARY IN ESTONIAN

Mitteametlikud vastastikuse järelevalve mehhanismid koalitsioonivalitsustes: teoorialoomelised järeldused Balti riikide juhtumitest

Käesoleva doktoritöö raames analüüsitakse kolme Balti riigi koalitsioonivalitsusi, mis olid ametis aastatel 1992–2012. Täpsemalt keskendub töö erinevatele viisidele ja mehhanismidele, mida koalitsioonipartnerid kasutavad üksteise tegevuse jälgimiseks ning huvide konfliktide lahendamiseks.

Uurimisteema on oluline, kuna koalitsioonid ning nende valitsemine on juba olemuselt keerukad. Koalitsiooni kuulumisega kaasnevad ressursid võivad pakkuda erakondadele stiimuleid tegutseda vastuolus koalitsiooni ühiste eesmärkidega. Näiteks on igal erakonnal huvi võita valimised, kuid selleks peavad nad koalitsioonipartnerite seast välja paistma ja veenma valijaid, et ametis olemise jooksul on nad valijaskonna huve paremini esindanud. Võib ka juhtuda, et erakond samastub mõne konkreetse valijagrupiga rohkem ning üritab valitsuses olemise ajal leida võimalusi just selle grupi huvide edendamiseks, mis omakorda ei pruugi aga olla kooskõlas koalitsioonileppes püstitatud eesmärkidega.

Probleem ei seisne ainult selles, et erakonnad tahavad koalitsioonipartnereid „üle trumbata“ – ka koalitsioonivalitsuste ülesehitus pakub oma liikmetele mitmeid võimalusi selle tegemiseks. Olgugi et valitsusotsused tehakse kollektiivselt, on igal ministril vabadus ise oma poliitikavaldkonnas seaduseelnõusid koostada; lõppeks saab ju ainult minister oma valdkonna tegevuskava kujundada ja seadusandlust hallata. Eelnõude ettevalmistamiseks võib minister kaasata ekspertarvamusi enda alluvuses töötavatelt avalikelt teenistujatelt, saada abi valdkonna asjatundjatelt või põhineda otsustes oma varasematele kogemustele. Nii tekkiva informatsiooni asümmeetria abil saab minister aga suunata seadusandlust selliselt, et esindatud on ministri partei huvid üldise koalitsiooni „healu“ arvelt.

Stiimuleid, mis edendavad iga koalitsioonipartneri sisemisi eesmärke, nimetatakse võimu delegeerimise probleemideks ja olulisemateks neist on just informatsiooni asümmeetria ja partnerite eesmärkide konfliktus. Sellised probleemid esinevad igas olukorras, milles üks erakondadest delegeerib mõned ülesanded teisele ja teeb seeläbi nimetatud protsessi veelgi keerukamaks. Valitsuskoalitsioonides kerkivad taolised probleemid eriti teravalt esile, kuna üldine võimu delegeerimise protsess ise on nõudlikum – selline valitsemisviis vajab delegeerimist nii erinevate valitsusharude kui ka erakondade vahel. Seega on iga minister valitsuskoalitsioonis vastutav mitmete erinevate osapoolte (otsustajate) ees, kellel kõigil on oma konkureerivad või lausa otseselt vastukäivad eesmärgid.

Tekib küsimus, kuidas koalitsioon saab üldse valitseda, kui seda kimbutavad delegeerimise probleemid ja ebakindlus koalitsioonipartnerite tegevuse suhtes?

Üheks võimalikuks lahendusviisiks oleks anda igale ministrile täielik sõltumatus poliitikavaldkonnas, mida ta juhib. Selleks võib rakendada ministri autonoomia mudelit, mis on ühtlasi üks esimestest katsetest kontseptualiseerida valitsuse tegevust praktilisel tasandil. Niisuguse valitsemisviisi eeliseks on vastutuse vältimise võimaluste vähendamine, kuna igal ministril on niikuinii lubatud kehtestada oma eelistatud poliitikaid. Samas on see mitmes aspektis ka ebasoodne: esiteks suurendab see koordineerimata ja vastanduvate poliitikate tekkimise riski, mis omakorda vähendab valitsuse üldist toimimist ja efektiivsust. Teiseks võivad sellised koordineerimata poliitikad mõjuda negatiivselt koalitsiooni koospäsimisele – seega pole antud viis kasulik ei valijatele ega koalitsioonierakondadele.

Teiseks probleemide haldamise viisiks võib pidada ka kompromisside tegemist – koalitsioonipartnerid peaksid oma poliitikaid omavahel koordineerima ja leidma kompromissi, mis hõlmaks kõikide partnerite eelistusi. See suurendab mõneti eesmärkide konfliktisuse tekkimise riski, kuna koalitsioonipartnerid peavad kompromissi nimel kaugenema oma eelistatud poliitikatest, kuid selline lahendus teeb valitsemise üldises plaanis paremaks ja tõhusamaks.

Eesmärkide konfliktisuse riski saab vähendada, kui teostada pidevat järelevalvet, mille abil saaks iga valitsuskoalitsiooni liige jälgida kaaspartnerite tegevusi. Efektiivse tulemuse tagamiseks peaks selline süsteem täitma kolme kriteeriumit:

1. võimekus koguda oskuslikult teavet, et vältida informatsiooni asümmeetriat;
2. võimalus leppeid mitte täitvaid koalitsiooni liikmeid vastutusele võtta;
3. eelnimetatud peab saama teostada, kasutamata sealjuures formaalseid protseduure või kaasamata ametlikke kontrollorganeid, et vältida avalikkuse ees musta pesu pesemist.

Kuna ei leidu ühtegi kindlat mehhanismi, mis rahuldaks kõiki kolme kriteeriumi, tuleb samaaegselt kasutada mitut mehhanismi, et järelevalvesüsteem tõesti toimiks. Antud doktoritöös analüüsitakse, kuidas nelja sellist mitteametlikku vastastikuse järelevalve mehhanismi (MVJM) (ingl k *Informal Mutual Oversight Mechanisms (IMOM)*) kasutati Balti riikide valitsuskoalitsioonides aastatel 1992–2012. Nendeks neljaks mehhanismiks on:

1. komisjonide „variante“ määramine;
2. abiministrite määramine;
3. koalitsioonilepete allkirjastamine;
4. koalitsioonikomisjonide moodustamine koalitsiooni töö suunamiseks ja juhtimiseks.

Eelnimetatud mehhanismid valiti ühelt poolt seetõttu, et nad on väga levinud, ning teiselt poolt erinevuste tõttu nende kasutamise puhul Balti riikide lõikes.

Dokoritöö panus teadusvaldkonna arendamisse on kolmeosaline. Esiteks, analüütilisest küljest näitab töö, et ülalmainitud koalitsioonipartnerite omavahelisi vastastikuse järelevalve mehhanisme peaks pigem mõistma ühtse süsteemi, mitte niivõrd eraldiseisvate instrumentidena – analüütilise mudeli seletusjõud kasvab, kui MVJMe analüüsitakse koos. Teiseks, teoreetilisest aspektist lähtudes analüüsitakse töös süvisi kahte valitsuskabineti tüüpi (vähemus/ enamus),

mida pole varasemalt antud moel süstemaatiliselt uuritud. Kolmandaks, empiirilisest vaatepunktist pakub doktoritöö analüüsi valitsuskoalitsioonide kohta Balti riikides, mida pole samuti varem teostatud. Lisaks uutele teadmistele Balti riikide kohta saab töö tulemusi suuresti rakendada ka teiste hiljuti demokratiseerunud riikide uurimisel Ida-Euroopa regioonis.

Käesoleva dissertatsiooni keskne argument on, et MVJMide kasutamise intensiivsus sõltub kahest faktorist: 1) koalitsioonis esineva ebakindluse tasemest; ja 2) institutsionaalsetest kuludest MVJMide kasutamisel. Nimetatud põhiväite alusel on esitatud viis hüpoteesi, mille paikapidavust doktoritöös uuriti:

- *H1: Kui ideoloogiline kaugus partnerite vahel suureneb, kasvab ka MVJMide kasutamine;*
- *H2: Kui koalitsioonipartnerite arv tõuseb, kasvab ka MVJMide kasutamine;*
- *H3: Koalitsioonid, kus on varasema koalitsioonikogemusega erakondi, kasutavad MVJMe laiaulatuslikumalt;*
- *H4: Vähemuskoalitsioonid kasutavad MVJMe vähemal määral kui enamuskoalitsioonid;*
- *H5a: Riigi institutsionaalse konteksti eripärad ei mõjuta üldist MVJMide kasutamist;*
- *H5b: Samas mõjutavad riigi institutsionaalse konteksti eripärad individuaalsete MVJMide levikut sõltuvalt konkreetsest riigist.*

Doktoritöö on jagatud kolme ossa, mis omakorda jagunevad peatükkideks. Esimeses osas analüüsitakse, kuidas saab MVJMe paigutada üldisesse koalitsiooni-valitsemise raamistikku. Esimeses peatükis uuritakse, kuidas toimub delegerimine ja vastutuse võtmine koalitsioonivalitsustes ja milliste võimu delegerimisega seotud probleemidega puutuvad valitsuskoalitsioonid kokku. Peatükis näitlikustatakse koalitsioonikabinettide töökeskkonna omapärasid – ulatuslikku ebakindluse taset ja piiratud võimalusi sellise ebakindluse vältimiseks. Peatüki teine pool tutvustab MVJMe kui võimalusi, kuidas eelnevalt nimetatud ebakindlust hallata ja ületada delegerimisega seotud probleeme nagu informatsiooni asümmeetria ja eesmärkide konfliktus. Seejärel tutvustatakse peatükis täpsemalt hüpoteese, mida käesoleva doktoritöö raames testitakse.

Teine osa tööst on pühendatud MVJMide rakendamisviisidele Balti riikides ja neile omaste mustrite selgitamisele nii juhtumiriikide kui ajaperioodide lõikes. Kolmas peatükk tutvustab Balti riikide uurimise põhjust, andmeallikaid ja analüüsimeetodeid. Peatükid neli kuni seitse käsitlevad iga MVJMi eraldi. Iga peatükk annab üldise ülevaate konkreetse MVJMi ja selle rakendamise ajaloo kohta Balti riikides ning selgitab, kuidas on iga riigi institutsionaalne kontekst mõjutanud selle mehhanismi kasutamist. Neljandas peatükis esitatakse detailne analüüs sellest, kuidas komisjonide varijuhte kasutatakse MVJMi tüübina. Uurimistulemused näitavad, et kõigis kolmes Balti riigis on varijuhtide määramine soositud ja tavapärane järelevalve viis. Samas sõltub see, kuidas varijuhte tegelikult kasutatakse, omakorda koalitsioonierakonna suuruselt.

Suuremad parteid eelistavad oma varijuhtide ülesannete ühendamist ministrikohtadega, et tagada enam kontrolli konkreetse poliitikavaldkonna üle. Samal ajal on aga väiksemate erakondade puhul varijuhtide kasutamise eesmärgiks pigem teostada järelevalvet koalitsioonipartnerite ministrite üle.

Viiendas peatükis analüüsitakse, kuidas on abiministrite määramise meetodit kasutatud Balti riikides MVJMi. Olulise tähelepanekuna võib välja tuua, et võrreldes paljude Lääne-Euroopa riikidega kasutavad Balti riigid abiministreid järelevalve teostamise mehhanismina harva. Eestis isegi kaotati vastav ametikoht pärast selle lühiajalist rakendamist. Põhjus selleks on kahetasandiline: esiteks näevad koalitsioonipartnerid seda MVJMi kui liigselt sekkuvat meetet. Partnerid võivad seda tõlgendada kui usaldamatuse näitajat – kui n-ö konkureeriv koalitsioonierakond määrab mõne oma abiministri teise partei ministrile ja kokkuleppelisele poliitikavaldkonnale nii lähedale, peegeldab see käitumine usaldamatust vastava ministri ning vastava koalitsioonipartneri suhtes. Teiseks on Balti riikide reeglid erinevalt Lääne-Euroopa riikidest varijuhtide rolli reguleerimise ja jagamise osas parlamendierakondade vahel üsna vabad. See tähendab, et valitsevad parteid võivad hõivata ebaoproportsionaalselt suure osa olemasolevatest varijuhtide kohtadest (mida nad tavaliselt ka teevad). Varijuhtide mehhanismi olemasolu järelevalve teostamise viisina vähendab vajadust kasutada abiministreid ja selle tõttu kasutatakse neid Balti riikides väga harva ning sedagi siis, kui tekib vajadus lisajärelevalve üle.

Koalitsioonileppeid käsitlevas kuuendas peatükis nähtub, et selle MVJMi kasutamine Balti riikides järgib suuresti üldisi Lääne- ja Põhja-Euroopa trende. Balti riikide koalitsioonid on selgesõnaliselt leppinud kokku nii poliitiliste prioriteetide kui ka otsustamisreeglite küsimustes. Aja jooksul on need kokkulepped muutunud üha formaalsemaks, pikemaks ning detailirohkemaks (kuigi sellist trendi pole niivõrd võimalik täheldada Läti puhul). Võimalik on ka eristada asjaolu, et erakondadel, kellel on rohkem koalitsioonikogemust, on tendents teha pikemaid ja sisulisemaid koalitsioonileppeid. Selliselt võib öelda, et antud MVJMi kasutamise puhul eelneb mehhanismi soodsatele tulemustele erakondade kogemus ja mõningane „harjutamine“.

Koalitsioonikomiteedest kõnelev seitsmes peatükk selgitab, kuidas seda seni vähemuuritud MVJMi on Balti riikides rakendatud. Peatüki keskmes on tähelepanek, et koalitsioonikomiteede täpne vorm ja omadused sõltuvad mitmest asjaolust, näiteks teiste institutsioonide rollist või partnerite vahetumise volatiilsusest koalitsioonivalitsuses. Eestis on sellised komiteed omandamas üha enam formaalset võimu ja nende ülesanded on peamiselt seotud eelnõude juhtimisega erinevate tasandite ja institutsioonide vahel. Leedus on need dünaamilisemad – tihtipeale on neil veel muid funktsioone, nagu näiteks koalitsioonilepetes sätestatud abstraktsete poliitiliste eesmärkide vormistamine konkreetsemateks poliitikaväljunditeks või uutele poliitilistele kriisidele-arengutele vastamine. Samas on antud MVJM laiaulatuslikum ja enim arenenud just Lätis, kus koalitsioonikomiteed on *de facto* asendanud valitsuskabineti koosolekud kui kohad, kus arutatakse kõige olulisemate poliitiliste küsimuste üle. Seda võib peamiselt selgitada asjaoluga, et Lätis on valitsuse koosolekud avalikud ning

seetõttu on koalitsioonid sunnitud tundlike küsimuste arutamiseks leidma alternatiivseid viise.

Dissertatsiooni kolmandas osas analüüsitakse MVJMi kasutamise mustreid Balti riikides ja nende üldist kasutamisintensiivsust. Kuna Balti riigid valiti antud uurimise teostamiseks suuresti just nende omavahelise sarnasuse tõttu, ei erinenud nad loomulikult märkimisväärselt ka MVJMide kasutamise poolest. Erinevused olid väikesed ja esinesid enamasti riiklikul tasandil. Samuti oli täheledatav MVJMide rakendamise määra suurenemine aja jooksul. Eestis teostati järelevalvet koalitsioonipartnerite vahel peamiselt kasutades koalitsioonileppeid või varijuhte. Lätis mängisid koalitsioonilepped väiksemat rolli, kuid sõltuvus koalitsioonikomiteedest oli märgatavam. Leedus aga rakendati kõiki MVJMe, kuigi võib öelda, et varijuhtide ja koalitsioonilepete kasutamise osakaal järelevalvemehhanismidena oli kõige suurem.

Lisaks sellele esitatakse peatükis ka lõplikud analüüsitulemused ja testitud hüpoteeside järeldused. Üldiselt toetavad tulemused väidet, et MVJMe peaks mõistma ja uurima kui järelevalvemehhanismide süsteemi, mitte kui individuaalseid instrumente, sest mudeli analüütiline seletusvõime suureneb märkimisväärselt, kui kõiki MVJMe analüüsitakse koos. Mis puudutab hüpoteese, siis esimene neist ei pea paika: ideoloogiliselt vastandlikud koalitsioonid ei kasuta rohkem MVJMe; nad kasutavad neid vähem, kuna sellised koalitsioonid on mõjutatud pigem ministrite autonoomia mudeli põhimõtetest. Teine hüpotees kehtib ja võib öelda, et koalitsioonid, milles on rohkem osapooli, kasutavad MVJMe intensiivsemalt. Kolmas hüpotees ei pea paika: koalitsioonikogemusel on märkimisväärne mõju ainult siis, kui vaadelda koalitsioonilepete mehhanismi. Neljas hüpotees ei pea paika: vähemus- ja enamuskolalitsioonid ei kasuta MVJMe erinevalt. Ka viies hüpotees kehtib: riiklikul institutsionaalsel kontekstil on märkimisväärne mõju MVJMide kasutamisele.

Üks küsimus, millel selles töö osas veel peatutakse, selgitab kas MVJMi kasutamisel on mõju koalitsioonikabinetidele. Analüüs üheksandas peatükis viitab sellele, et aja jooksul on suurenenud nii MVJMide kasutamine kui ka kabineti püsivus ja et rohkemal määral MVJMide kasutamisel on olnud stabiliseeriv mõju Balti riikide valitsuskoalitsioonidele.

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