

Standing Apart and Sitting Together:
Enforcing Coalition Agreements in Multiparty Systems

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I INTRODUCTION

The promises that new governments make often incite scepticism. Particularly coalition governments are believed to use policy declarations made during government formation for symbolic purposes – demonstrating to party followers and the general public that the coalition is well cemented. Divisive issues are considered to be relevant to coalition composition (through preventing some coalitions to be formed) and less to the policy packages of coalitions that *are* formed. Attention in government formation allegedly is focused on matters on which parties have congruent or at least compatible views.

This image of coalition formation long has prevailed in the literature (Luebbert 1986; Laver and Shepsle 1996; Laver and Schofield 1998). But beyond the rhetoric and symbolic intentions in coalition government formation, political parties do deal with issues that divide them. This is the central point of departure in this paper, which presents an approach for the comparative study of policy conflicts in coalition government formation and the ways in which these conflicts are managed during the life of the government.

The formulation of a coalition agreement containing controversial issues is an expression the fundamental tension between standing apart and sitting together. By drafting an agreement, partners in government try to reduce mistrust and uncertainty. But deals in agreements not not remove the tension. Enforcement mechanisms are necessary to prevent opportunistic behaviour of individual coalition parties – which may point at ‘changing circumstances’ in their continuous recalculations of the costs and benefits of coalition loyalty. The approach in this paper includes expectations about the effects of types of deals that parties make and explores conditions for enforcement of these deals. By analyzing these matters, it is possible to make better informed judgements about the functions of coalition agreements in systems with multiparty governments. The empirical material derives from case studies of coalition cabinets in Belgium and the Netherlands (Timmermans 2003). First, the empirical focus on policy

conflicts during coalition government formation is discussed and illustrated with case material. Next, the effects of deals on these conflicts are examined, followed by a consideration of favourable and unfavourable conditions for enforcing deals. The final section contains a conclusion and indicates research topics ahead.

II POLICY CONFLICTS AND DEALS IN COALITION AGREEMENTS

Interparty bargaining is a key element of coalition politics that is present continuously. In addition to their symbolic value, the relevance of coalition agreements is that through different types of commitments they link the formation of the new government to its term in office. In this way, agreements constitute at least part of the government agenda. Deals on diverse issues may be meant to reduce conflict potential and make decision making within the coalition more efficient. This outcome may occur, but in the dynamics of coalition politics deals also can work out differently, generating new conflict. In either way, the scope and nature of interparty bargaining over time is influenced by the coalition agreement.

In recent comparative work (Müller and Strøm, 2000; Strøm, Müller and Bergman, forthcoming), the general features of coalition agreements in Western European countries received attention. Coalition agreements are proliferating in countries with an experience of multiparty government, and they occur mostly when majority coalitions are built. Policy statements are by far the largest part of agreements, but large variation exists within and across countries in the number of words needed to formulate such statements (Müller and Strøm, 2000: 574-578). Beyond these quantitative features of agreements, the analysis of Müller and Strøm indicates that attention for the effects of agreements as a mechanism of coalition governance is useful.

A point of departure for assessing effects of coalition agreements is the issues on which parties were in conflict during government formation. This set of issues may not

exhaust the entire agenda, but it is important for coalition governance because it is identified at an early stage and thus needs some form of conflict management and monitoring by the coalition leadership. Issues on which parties have divergent views attract attention because party leaders use government formation to reduce mistrust and uncertainty – between parties but also within parties because followers in defence of party principles want to know the extent of concessions made in government participation. Other reasons why parties focus on points that divide them during government formation are the time constraint and the nature of government formation as an ‘institutionalized extrainstitutional arena’ (Peterson et al, 1983). The government formation arena is relatively unexposed to the public, and it enables party leaders to link diverse issues, involve all parties in giving and taking, and establish a broad policy equilibrium. This balance however is vulnerable, not least because the agreed policy package usually contains a mix of clear and less clear commitments, varying between policy fields and depending on whether conflicts could be settled or only be appeased. Building on a distinction made by Luebbert (1986), coalition agreements may contain clear cut explicit compromises, more general or vague implicit compromises, or procedures for dealing with issues. This variation in types of commitments is one feature of coalition agreements as incomplete contracts.

Agenda Setting in Government Formation: Cases

An analysis of disputed issues in five government formations in Belgium and the Netherlands illustrates the point that coalition agreements vary in the types of deals they contain.¹ The issues debated during the formation of these governments included some conflicts inherited from the previous government, but most were ‘new’ conflicts which occurred when party policy positions were confronted during the election

¹ The governments analyzed were Leburton (1973-74) and Tindemans V (1977-78) in Belgium, and Van Agt II (1981-82), Lubbers I (1982-86) and Kok I (1994-98) in the Netherlands. See Timmermans (2003) for the case studies.

campaigns. In the two Belgian cases a 'surplus majority' coalition was formed to set the process of federalization (with regionalization as a first stage) in motion, and this mandated attention for deals in this field.² In the Dutch cases, government formation was used first of all to make deals on problems of budgetary and socio-economic policy, on which there was a sense of urgency but also divergency in viewpoints. Other prominent matters on the agenda were education, media policy and morality policy – subjects in which the old religious cleavage resurfaced in both countries.

The policy fields and the types of deals made on issues in these fields are given in table 1. Socio-economic and budgetary policy issues were the most commonly debated in government formation. These issues were urgent for the government coalitions that faced economic hardship, and the institutional rules of the annual budgetary cycle mandated attention for differences in viewpoints before substantive government proposals could be drafted. But the table shows also that on these issues not all differences were ironed out; nearly half of the deals were general and sometimes vague or ambiguous implicit compromises, which needed further elaboration by the government. For example, in the formation of the Lubbers I government in the Netherlands in 1982, Liberals and Christian Democrats remained in disagreement about the principle for taxing families. The Liberals advocated individual taxing, the Christian Democrats wanted the family as a tax unit. Another field that attracted attention from religious and secular parties in the ensuing coalitions was education. The element of party principles appears in the types of deals: more often than not, the parties were unable to compromise explicitly. The outstanding central agenda point in government formation in Belgium was regionalization, which was the reason why large majority coalitions were built. The prevalence of explicit compromises shows that party leaders had made considerable effort to negotiate clear commitments. These however

² Actually, these coalitions were not 'surplus' majorities, because they needed a two thirds legislative majority for bills on regionalization. This was the reason why government coalitions of this size were formed.

entailed costs that not all parties were prepared to bear as long as the official term in office of the government.

Table 1 here

A point of variation between the coalitions is the policy scope of interparty bargaining. The parties building the Tindemans V coalition in Belgium in 1977 constructed a critical agenda of three policy fields, whereas the agenda in the Lubbers I (1982) and the Kok I (1994) government formations in the Netherlands contained conflictual issues from six different fields. Tindemans V was a five party coalition, and the Dutch coalitions consisted of two and three parties respectively. Though coalitions with many parties would seem to imply more diverse conflict points and require a broad scope of policy bargaining, this does not appear in the cases. It may be that there is a limit to the conflict management capacity of coalitions also during government formation, and that for coalition formation to be successful (and not endless) an increase in the number of parties requires that the scope of bargaining is narrowed down. This is a point worth further investigation.

Overall, explicit compromises were the most frequently used type of deal, and this illustrates that bargaining over policy conflict is taken seriously in government formation. Explicit compromises were common in the field of regionalization in Belgium, the institutional project for which the governments were built. Explicit compromises prevailed also in the Kok I coalition agreement (1994), which was hammered out by Liberals and Social Democrats, parties in office together for the first time in more than forty years. Most of the explicit deals in this coalition were on socio-economic policy, a field in which the two main parties always had been antagonists. This focus on one main policy field is consistent with the point made above that coalitions limit down the scope of policy bargaining and bridge differences on the most contested issues.

Not all coalitions however were as explicit in the deals they made. Table 2 shows that in two of the three Dutch coalition formations (Van Agt II, 1981, and Lubbers I, 1982) policy disputes were settled mostly by negotiating implicit compromises. The Van Agt II coalition agreement, for example, was compared to a 'plate of spaghetti' because most of the policy deals had loose ends. Procedures for handling issues during the term in office were more rare. This shows that agreements to disagree were not the first option for parties facing substantive policy conflict.

Table 2 here

There are thus two strategies in government formation under conditions of mistrust, uncertainty and policy conflict. One is to make commitments that are as detailed and binding as possible, the other strategy is to forego clear commitments and keep policy options open. This second strategy involves a higher discount rate and lower costs of making deals, but it may be expected that such deals also are more difficult to implement without recurring conflict.

The types of commitments made entailed gains and losses for all parties, and a balance – at least a temporary one - was established by putting together the deals in the coalition agreement. The distribution of policy gains and losses made in the agreement contained also variation in the degree of commitment, which shows that the two strategies of conflict management were both used during government formation. In all cases, the coalition agreement was the underlying document for the government declaration, presented in the national parliament by the prime minister.

III EFFECTS OF DEALS IN COALITION AGREEMENTS

What are the effects of the different strategies of conflict management in government formation and of the types of deals made in these strategies? Expectations on effects can be informed by transaction costs economics, which argues that making explicit compromises ex ante to the inauguration of the government may reduce the costs of implementation (Williamson, 1985). Costs are defined here as the collective efforts and time involved in policy making and settling dispute. Conversely, substantive implicit compromises may be cheap deals that are easier to reach, but their implementation may be more difficult because the conflict is not really resolved. Procedural arrangements as the third type of deal pertain to the way of conflict management. The implicit element is that they are silent about policy contents, the explicit element is that they specify how the coalition should handle the issue, for example by transferring the matter to an external expert committee or by shelving the issue until the next elections. Nondecisions may save a cabinet, but they imply also that the policy ambitions of one of more parties are suppressed.

The hypothesis on explicit compromises is that they are implemented by the government without new conflict – and thus are most conducive to policy production. The hypothesis on implicit compromises is that they lead to recurring conflict over the issue, and thus involve a much more troubled route to policy decisions. The hypothesis on procedural deals is that they are implemented without new conflict, but with a nondecision as the substantive effect.

Tables 3, 4, 5 here

Tables 3, 4 and 5 give the effects of the three types of deals. Note that conflict prevention and implementation are the two effect dimensions and these effects may or may not occur together. Though the effects of the types of deals varied between the five coalitions, comparison of the tables reveals a pattern: in all coalitions, explicit compromises were much more effective in preventing conflict than implicit

compromises. The rate of implementation however did not differ much - about half of the deals were transformed into formal policy decisions by the cabinet and in parliament. In fact, implicit compromises were implemented more often than explicit compromises. The following more detailed analysis of the effects of deals will show that this is less contradictory to expectations than it may seem.

Explicit Compromises and Policy Streamlining

The time and energy devoted to making explicit compromises in government formation has not made implementation costless. In fact, more than half the number of explicit deals was not even implemented - at least not in the form specified in the coalition agreement. On average, 29 percent of the compromises was implemented without giving rise to new conflict. Coalition parties thus were faithful to the agreement only to an extent. They also deviated from the agreement or aborted implementation. This happened most dramatically in the governments that ended prematurely. Conflict remained absent in just over half the number of cases (51 percent), and this meant that the parties did not get into new trouble when implementing the deal, or that the matter was shelved because the government ended. This last result occurred in the two Belgian coalitions and the Van Agt II coalition. The coalition agreement of the Tindemans V government had a large proportion of explicit compromises, made mostly on regionalization policy, and the early collapse of the five party government over this issue meant failure in this field. The other two coalitions also ended after political conflict, but explicit compromises were not the immediate cause.

The effects during the Kok I government stand in contrast. This three party coalition managed to implement the vast majority of explicit compromises and it did this mostly without getting involved in conflict. The Lubbers I coalition had to deal with recurring conflict much more often, but never the less also implemented the majority of explicit compromises.

The effects of explicit compromises are less positive than in the hypothesis, but it is important to appreciate that implementation of political deals takes place in an extremely dynamic environment, and that even explicit compromises are nearly always incomplete and involve uncertainty. For deals made as long as four years ago, it is actually quite an achievement that parties remain committed in almost half the number of cases, and even implement without making trouble in almost one third (29 percent) of the cases.

Procedural Deals and Risk Avoidance

The price for making procedural solutions is that no substantive policy decisions are made for some time, and this time horizon even may be beyond the official end of the government. This may not be a price for all, but there is always at least one party that prefers a substantive change to the status quo. Procedures thus also entail concessions, and this makes enforcement not automatic. The findings illustrate this: less than half the number of procedures was implemented without conflict. For the generally successful Kok I government, procedures appeared not to be functional to conflict prevention, but for the short lived Van Agt II government procedural deals helped to contain at least some of the many conflicts. In conclusion, procedural deals mostly freeze policy making in the way agreed during government formation, but the desired peace mostly needs renegotiation.

Implicit Compromises and Boomeranging Conflict

As expected, implicit compromises have led to recurring conflict much more often than the other types of deals. Three of the five coalitions were completely unable to implement general or vague deals without new interparty conflict. The participants in the Kok I government were most inclined to interpret and elaborate deals peacefully, but still this happened less often than when explicit compromises were the reference points in the coalition agreement.

A less expected general finding is that, on average, implicit compromises were implemented more often than explicit compromises. A closer inspection of tables 3, 4 and 5 shows an extreme difference in effects during the Tindemans V government, which failed dramatically in implementing its explicit deals (on regionalization) but fleshed out the general deals on other issues (budgetary and socio-economic policy). The Lubbers I and Kok I governments did well in elaborating the less explicit parts of the coalition agreement. Of course, the general and sometimes vague nature of commitments implied a much greater leeway for parties, and thus almost any policy decision building on this type of compromise was a positive case of implementation. But as said, the costs of arriving at these decisions were high because of the conflict they involved. Of the three governments that ended prematurely, two (Leburton and Van Agt II) did this when conflict over implicit compromises escalated.

Discount Rates and Political Costs of Deals

Parties involved in negotiations on a coalition agreement thus may use high discount rates, minimize costs and make cheap deals. But the patterns found in the effects of different deals suggest that such lower costs of making deals on coalition policy often lead to higher costs of implementation. Conflict occurred far more often when parties made general or vague implicit compromises during government formation than when they negotiated explicit compromises. It is important to appreciate that explicit compromises were made on issues that were not less controversial than the issues on which parties made only general or vague commitments. Procedures containing postponements appeared to be the best mechanism of political risk avoidance, but this type of arrangements precludes substantive decisions for some fixed period.

Explicit compromises are investments on which the returns become visible during coalition life, mainly by reducing conflict potential during decision making in cabinet and in parliament. But the findings show also that specific deals on policy are vulnerable. In a world that is changing continuously, intentions that are declared

sacrosanct may become obstacles. For this reason, it is not so surprising that explicit compromises often were modified to the extent that parties could agree on this, or were replaced by alternative policies. They also did not always prevent deadlock, as in the case of the Tindemans V government that fell apart over regionalization issues.

IV CONDITIONS FOR ENFORCEMENT

The vulnerability of even explicit deals underlines the point that coalition agreements are not self policing. In many instances, deals are investments that induce parties to remain loyal because they realize the trouble of renegotiation. But in the real world of coalition politics the schemes of costs and benefits may change rapidly for individual parties. This is why enforcement of coalition agreements is more complex than monitoring a single deal: the benefits of cooperation in implementing a deal containing concessions often depend on implementation of *other* deals. A coalition partner may need payoffs from other policies to remain faithful. If few possibilities for this exist because the policy scope of deals in the coalition agreement is rather limited, the specificity of the challenged deal even may be counterproductive, because the losses are so visible.

The principle of *pacta sunt servanda* (agreements must be observed) is noble, but it needs reciprocal control among coalition parties as a complement. This mechanism of reciprocal control may seem an invisible hand, but it requires busy interparty traffic. For this, structural conditions may be relevant, such as the size of the coalition, the internal unity within parties, and the presence of informal arenas of conflict management. Another structural coalition property that may facilitate enforcement of agreements is the extent to which negotiators in government formation take a cabinet seat. Prime ministerial role performance is also relevant, as this is the office of coalition coordination. Personal relationships among cabinet ministers may

influence the willingness to cooperate. Finally, developments in the economic environment may allow budget expansion or confront parties with the need to set priorities and make hard choices. The less economic and other environmental developments were anticipated during government formation, the more likely it is that economic indicators are used as ammunition by parties contesting enforcement of the coalition agreement.

Coalition Governance Arenas

The difficulty of enforcing coalition agreements is likely to increase as the arenas in which deals are implemented become more different from the government formation arena, where the deals were made. In government formation, party spokespersons negotiate in an informal setting, with few formal rules constraining policy formulation. The time for building a new government is limited, but the setting allows parties to engage in parallel processing: issues can be linked and dealt with simultaneously. When it comes to making concessions, negotiators are delegates of parties realizing that internal unity must be preserved, to avoid that their bargaining power is undermined.

If the enforcement of compromises on coalition policy were to take place only in the formal arenas of the collective cabinet and parliament, inefficiency and the risk of stagnation would be high. In the five governments in Belgium and the Netherlands for which the effects of coalition agreements were analyzed, informal arenas of coalition governance have emerged, and enforcement of the coalition agreement often was transferred to such arenas before formal policy decisions were taken. In the arenas of coalition governance, attempts were made to confirm commitments made earlier, or to settle disputes over these commitments.

The types and properties of informal arenas have varied between coalitions and between countries. As consensus systems, Belgium and the Netherlands have multiple types of policy making arenas, but for matters of high politics, political arenas are

particularly important (Timmermans, 2001). In the Netherlands, internal and informal cabinet arenas were important, as well as 'turret consultations' taking place in the mixed arena composed of ministers and the parliamentary leaders of the coalition parties. Since the early 1980s, this last arena is the site where the most serious conflicts are managed (Andeweg and Timmermans, forthcoming). In Belgium, arenas within the government were less central in the process of enforcement, and seem to have been most important in the fields of budgetary and socio-economic policy. The typical site for management of the most dangerous conflicts in Belgium is the arena external of the cabinet (Andeweg and Timmermans, forthcoming), and external arenas were also the most important for enforcement of the coalition agreement.

Thus, informal coalition governance arenas were used extensively for conflict containment and implementing deals, but they were not always effective. For one thing, the locus of high politics shifted to formal arenas at critical stages of conflict, and the result was coalition collapse in the cases of Leburton, Tindemans V, and Van Agt II. In the 'invisible' trajectory of implementation, the coalition machinery produced the most substantive results in the fields of budgetary and socio-economic policy, and was less functional in fields of 'immaterial' policy. In these fields, the parliamentary arena was more important, but coalition discipline and internal party discipline appeared to be more difficult to maintain.

Voice or Loyalty within Coalition Parties

The unitary actor assumption has long been upheld in coalition theory, but for coalition life it is not realistic. None the less, maintaining a level of internal party loyalty and discipline are important in the process of implementing coalition agreements. Divisions and party revolts beyond control of the leadership - provided that the party leadership itself is not divided - weaken the centralization of authority in government coalitions (Strøm and Müller, 2001). Internally divided parties may be

more vulnerable to attempts by external parties to form legislative coalitions, even if the coalition agreement may prohibit this.

The case studies indicate that the degree of internal party unity makes a difference to enforcement of coalition agreements. In Belgium, the traditional parties were divided internally over *La Question Communautaire*, and in both coalitions, the prominent least supportive of the plans in this field took a cabinet seat. Moreover, rivalry for the party leadership existed. In the Netherlands, internal party divisions seem to have been controlled relatively well within internal cabinet arenas, but less in parliament. Elaboration of implicit compromises on morality policy in the Lubbers I coalition agreement for example foundered in part because the parliamentary groups did not feel like rubber stamping policies. On these matters, no substantive agreement had been reached during government formation, and in a coalition that was already extremely tight in the fields of budgetary and socio-economic policy, the parties held on to their principles and deferred decisions to the next government. This position is a fundamental challenge of the practice of coalition agreements, but it was an exception, not the rule.

Coalition Founding Fathers as Exegetes

The enforcement capacity of coalition governance arenas depends not only on the informal setting and on internal party cohesion, but also on the presence of negotiators. Negotiators of deals in government formation may be promoted to the office of cabinet minister or they continue their career in parliament. Thus in this respect coalition governance arenas may resemble the government formation arena to varying degrees. Presence of these founding fathers in important arenas, particularly those internal to the cabinet, may be conducive to the implementation of deals. In this way, commitments are internalized in policy making arenas. For deals that are vague or ambiguous, former negotiators are the most qualified exegetes because they may be able to read between the lines. Outsiders are assumed to be less inclined to implement

arrangements because they may feel confronted with *faits accomplis* that infringe in their ministerial autonomy.

The case studies suggest that this factor makes a difference. In the Belgian governments, few negotiators on regionalization were present, and failure was the main result in this field. In following governments formations, this lesson was drawn, and negotiators were all promoted to the office of cabinet minister (De Ridder, 1989). Negotiators on education policy deals took a seat in the Leburton government, and the deals were implemented. The Lubbers I and Kok I governments in the Netherlands show a similar pattern. Where compromises were implemented (budgetary and socio-economic policy), supervision in the cabinet was done by former negotiators. Where success was limited or absent, cabinet ministers had been involved in government formation much less. The exception to this pattern is the Van Agt II government, in which the party leaders that had made vague deals with incompatible intentions continued to contradict each other within the cabinet and pushed decision making to the collective level – with cabinet collapse as the result.

Prime Ministers as Coalition Coordinators

The key role of prime ministers is to preserve harmony within the coalition, and this includes guidance in implementing policy deals and arbitration in conflicts. But not all prime ministers are able to take distance from their own party interests. The chances of successful enforcement of coalition agreements increase if the dominant role perception is arbitration. Prime ministers actively taking sides in struggles of interpretation may win, but in countries where the competencies vested in this office are limited, this strategy is not likely to lead to long term success. This is illustrated by the cases, in which the most dramatic failures – and coalition collapse – occurred in situations in which the prime minister supported crucial deals in the coalition agreement only halfheartedly – or even took opposition. The prime ministerial coordinating and arbitrating role was played more effectively during the Lubbers I and

Kok I governments. Particularly in the fields of budgetary and socio-economic policy, this prime ministerial role seems to have been conducive to implementation of deals.

The Significance of Agenda Management

Structural properties of coalitions are relevant conditions for enforcement of agreements, but the setting of coalition governance alone does not produce reciprocal control. The other key question therefore is how the coalition keeps the process of implementation going. Again, the enforcement problem arises because compromises made in packages can become more difficult to accept when dealt with separately. Loyalty and the limit of tolerance for parties in policy making include a time element, and parties may become opportunistic.

Parties invest in a coalition because they expect policy payoffs. For institutional reasons, cabinets and parliaments cannot consider many different subjects at the same time; the capacity of cabinets and parliaments for parallel processing is limited. But serial processing of matters of high politics may make coalition parties impatient. Single deals often contain less balanced payoffs than broader packages of deals. They may even contain major concessions that one party was willing to make because it was compensated on another issue. The risk of opportunism is related to the perception of individual parties about such compensations. If no other policy payoffs are within sight, the discount rate for a party goes down, and this may destabilize the coalition. Electoral prospects may then be included in the strategic calculations. Thus, for a stable allocation of payoffs among coalition parties, agenda management is crucial, and this requires a degree of hierarchy.

To what extent have the parties in the five analyzed coalitions been able to manage their policy agendas, what Riker (1986) called a form of 'heresthetics'? The scope of the agenda incorporated into the coalition agreement is likely to make a difference, although parties can introduce other issues not considered in government formation. New issues may be really important or be used to create sidepayments.

The case studies suggest three types of process. Two end up in deadlock, one is the route of coalition success. First, the worst case scenario is that enforcement does not even begin, because the coalition agreement contains barely any issue diversity and directs the attention of parties to policies on which they did not really reach substantive agreement. This was the situation in the Van Agt II coalition, where the agenda had a narrow scope and contained incompatible intentions. The policies preferred most by one party were the most resisted by the other. Hardly any possibilities for agenda management existed, and the constant messages of economic bad news further narrowed down the set of alternatives. This resulted in early collapse, and the coalition agreement was a negative example for the following government (Lubbers I), which made more explicit deals on socio-economic and budgetary policy.

The second type of process is one of decline in enforcement. Here, reciprocal control is affected by the cumulative experiences of parties over time. Agenda management at central level, if attempted at all, is not done in the collective interest of the coalition. It is more a form of what Lax and Sebenius (1991) call 'strategic sequencing'. During the Leburton coalition, the Christian Democrats benefited from the prompt implementation of compromises on school policy, on which the other parties had made concessions. The Socialists were pressing for implementation of deals on financial assistance for the troubled industry in the South of the country, but the third party, the Liberals, called their commitment to these deals into question. A struggle over what issues should be first on the agenda occurred, and after one year in office the Socialists reached their limit of tolerance and withdrew from the government. Negative prospects of policy payoffs in the future also were a reason for collapse of the Tindemans V coalition, but in this case the decision to give up cooperation was taken by the party that had benefited most. The Flemish Christian Democrats made gains in the field of socio-economic policy, the first part of the coalition agreement. The more ambitious part however was on regionalization, and on this matter the perception of

an influential group within the Flemish Christian Democratic party, including the prime minister, was that implementation of the deals would benefit the French speaking part of the country at the costs of the Flemish speaking part. Also this coalition had a limited policy scope and as a consequence the explicit compromises on regionalization became the subject of direct confrontation. Prime minister Tindemans did not want to receive the blame for a policy 'selling out' the Flemish speaking Flanders, and gave up coalition cooperation. Thus, in these cases, failing agenda management and opportunism with regard to premade commitments led to the early end of the coalition.

In the cases of the the Lubbers I and the Kok I governments, reciprocal control worked relatively well. These two cases were also coalitions in which the prime minister had been involved directly in writing the agreement and managed the coalition agenda without taking sides. Despite conflict, many of the deals were processed in such a way that all coalition parties obtained policy payoffs over time. Economic conditions may limit or enlarge the possibilities for keeping all coalition parties happy, and the findings on the Lubbers I and Kok I coalitions suggest that this was easier during the last of these two governments. But this factor carries weight in coalition politics through the constructions that parties make - how they define or redefine the problem and what new solutions they see. But not in all policy fields were the deals implemented. On immaterial issues, such as morality policy and education, implementation mostly was deferred in the parliamentary arena - where the possibilities for tight coalition control were less. Issues were linked and legislative proposals were made, but they were not adopted before the end of the term in office.

Agenda management thus is a key element in enforcing coalition agreements because it limits or extends the possibilities for reciprocal control among coalition partners. But agenda management requires centralization, for which informal coalition governance arenas with properties similar to the government formation arena are useful. This is suggested by the way in which the presence or absence of structural

conditions for enforcement relates to the effects of policy deals. Informal arenas in which the prime minister coordinates and arbitrates, where former negotiators are present and from where party discipline can be maintained, contribute to implementation of deals in coalition agreements. They reduce the costs of enforcement during the term in office.

V CONCLUSION AND OUTLOOK

The ways in which parties deal with controversial issues when forming a coalition government have consequences for coalition life. Negotiated deals on controversial issues may not exhaust all possible sources of conflict and coalition agreements may not entail a predestination, but they are an important point of departure for coalition governments in Belgium and the Netherlands. Controversial issues can be placed on the agenda and policy decisions even may be precooked, and the scope of government action also can be limited by making procedures that procrastinate substantive decisions. The rationale for parties doing this is that they see coalition agreements as a mechanism for conflict prevention and for increasing the efficiency of coalition policy making.

The analyzed coalition agreements of the Belgian and Dutch governments were relevant, but not always as envisioned by optimists during government formation. First, coalition agreements do have an agenda function - they formed a major part of the coalition agenda in all cases. The agenda set in government formation contained issues on which substantive deals were made, but only half of all deals were explicit compromises containing clear commitments, prefabricated policy decisions. Most of the other deals were implicit, containing general, vague or ambiguous intentions. These were formulated to conceal persisting disagreement. The costs of making this type of deal may have been lower, but the gains also were much harder to accomplish,

because conflict mostly boomeranged back into the coalition. With respect to this element of conflict, limitation of the scope of action of the government through procedural arrangements was found to be most effective. Survival is an important concern of coalition governments, but these governments also are supposed to take substantive decisions. This is why procedures were less common in all coalitions. Making explicit compromises involved higher transaction costs, but the costs of implementation, with substantive effects, were lower than for implicit compromises.

Making political deals in government formation is a process of weeks or several months, but enforcement of these deals takes years. Parties need to be patient if implementation of single deals does not bring them the rewards they are waiting for. Reciprocal control is the mechanism that keeps parties from being opportunistic. It is an enforcement mechanism endogenous to the coalition - no external authority exists. Mutual control between parties also includes commitments to refrain from building *ad hoc* legislative coalitions with external parties. The mechanism of reciprocal control itself depends on management of the policy agenda, and the findings on the five coalitions suggest that variation in effects of coalition agreements can be explained at least in part by this agenda management. Informal structures facilitated the attempts to keep the coalition parties on the track, but they could not prevent conflict escalation - the adverse type of effect of deals in the coalition agreement - if agenda management was insufficient.

This paper has explored the ways in which enforcement of deals in coalition agreements is organized, how types of deals make a difference, and what the conditions for success may be. The empirical focus was on coalition governments and their effects in Belgium and the Netherlands, but the concepts and lines of argument need not be confined to these cases and countries. The questions considered in this paper are about the essence of coalition governance - policy production and government survival in a context in which parties sit together but also have incentives

to stand apart. These points pertain not only to the agenda constructed during government formation. Coalition governance mechanisms such as arenas for conflict resolution have institutionalized (Andeweg and Timmermans, forthcoming). The conflict resolution mechanisms used for this set of issues are relevant also for other issues. Further, maintaining a balance in payoffs may be made more difficult when the scope of policy was delimited during government formation, but much can still be done by the coalition leadership in managing the agenda and creating value for all.

Still, policy conflict management beginning at government formation is a useful point of departure for the analysis of coalition governance. Broader comparative analysis with this focus is an avenue of further research, in which the structural and other conditions for enforcement explored in this paper may be included. In recent work, structural variables of coalition governance have begun to be considered systematically, and the findings show variation (Strøm, Müller and Bergman, forthcoming). This can only make us more curious about the substantive effects - the frequency and different types of conflict, their containment, and the subsequent production of policy decisions. It also redirects attention to a number of subjects that were identified earlier, but which have been left understudied in coalition research (see for example: Blondel, 1988; Blondel and Müller-Rommel, 1993). The formation and duration of government coalitions across countries have been theorized and analyzed extensively. The key research subject ahead is what happens between.

VI REFERENCES

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