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Party System Fragmentation and PAC Performance: the Case of India

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Introduction

Ever since the publication of Lowell (1896), political scientists and comparative politics specialists have attempted to explain several political and policy outcomes on the basis of the fragmentation of the party system.[1]

Although political scientists have attempted to explain many political outcomes as more or less inevitable consequences of the fragmentation of the party system, and in spite of the fact that a growing body of work has thoroughly investigated factors that make public accounts committees more effective, no study has ever tested whether the performance of a PAC is affected by the fragmentation of the parliamentary system.

Therefore, the purpose of the present paper is to investigate whether, how and to what extent PAC performance is affected by the fragmentation of the party system. We will do so by testing three mutually exclusive hypotheses.

Building on the work by Beetham (2006), who suggested that effective oversight is a function or a consequence of the power relations in the parliamentary party system, we hypothesize that as fragmentation increases, the party system becomes more competitive and parliaments becomes more effective in performance of their oversight function.

The second hypothesis is derived from a large body of political science work that has generally assumed, argued, tested and shown that increases in the level of fragmentation are detrimental for the functioning of the political system. The second hypothesis to test is that as fragmentation increases, the performance of the PAC worsens.

In contrast to the first two hypotheses that posit a linear relationship between fragmentation and PAC performance, the third hypothesis suggests that increases, up to a certain level, of the fragmentation are conducive to more effective PAC performance while further increases in fragmentation prevent PACs from performing effectively.

While the evidence generated by our statistical analyses do not support the first two hypotheses, they sustain the claim that the relationship between fragmentation and PAC performance is curvilinear (quadratic, to be precise). Furthermore, we are able to show that while the performance of PAC improves when the fragmentation of the party system increases up to a fractionalization of .6, and thereafter, it worsens.

  The first section, of our paper will review the literature on public accounts committees, and discuss conditions that make PACs work well and highlight the political consequences of

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[1] As we will discuss in greater detail later on the list of phenomena that political scientists attempted to explain on the basis of fragmentation includes: government stability (Duverger, 1954), government effectiveness (Lowell, 1896), regime breakdown in presidential systems (Mainwaring, 1993), hyperproduction of low-quality legislation (Tsebelis, 2002) and fiscal irresponsibility.

fragmentation. We show that while it remains a topic of great interest, no study has ever attempted to investigate the relationship between fragmentation and PAC performance.

The second section presents three hypotheses – rooted in our literature review - on how PAC performance may relate to the fragmentation of the party system.

The third section presents the results and a discussion of our statistical analyses. Our analyses reveal that the third hypothesis has the greatest explanatory power that fragmentation and PAC performance are not linearly related as H1 and H2 posited, and that, in the Indian context, fragmentation starts having a detrimental effect on the performance of the PAC once it exceeds a fractionalization of .6.

The final section draws some conclusions as to what are the main insights of this paper.

PAC Performance and Effective Oversight

The literature on legislative oversight has long discussed the conditions that enhance the effectiveness of oversight activity. Effective oversight, it seems, depends not only on the availability of oversight tools, but also on certain conditions like oversight powers given to the parliament, the parliament's ability to modify legislation (Loewenberg and Patterson, 1979), parliaments' and parliamentarians' access to relevant information (Frantzich, 1979), the role of individual MPs, the role of committee chairs, the saliency of issues and how aggressively the opposition performs its role (Rockman, 1984).

 According to Beetham (2006) the single most determinant of oversight effectiveness is what he calls 'relational power' which is not just the balance of power between the executive and the legislative branch of government, but also the power relations between parties in parliament. Specifically Beetham suggested that "it is the configuration of party power that can often determine the relation between parliament and executive. In a presidential system, in situations where the legislature is controlled by a different party, parliamentary oversight is typically rigorous, but frequently, party competition can degenerate into obstruction and gridlock. In a parliamentary system, and in presidential ones where the same party controls both branches of government, there is the opposite tendency: "oversight may be blunted through the way power is exercised within the ruling party or coalition, or the way competition between parties discourages internal dissent within parties from being publicly expressed" (Beetham, 2006:127).

The idea that the balance of power, which is what Beetham defines as 'relational power', among parliamentary parties may be the single most important determinant of the effectiveness with which oversight is performed in a legislature, has generally been neglected in the study of what makes a public accounts committee work effectively.

Literature on Public Accounts Committees has generally focused its attention only on institutional organizational and behavioral factors as antecedents of successful performance of a PAC. This in our view, might only be a small part of the story.

Table 1. Importance of institutional factors for the Success of PACs

		Act of parliament			
	A) Institutionalization				
		Constitution			
		Right of access	Government agencies outside the finance portfolio; Statutory authorities; Government owned corporations; Local government authorities; Parliament (and its expenditures); Parliamentary expenditures (eg. Staff); Government service providers		
PAC's success is due to institutional factors because of the					
	B) Scope and focus of activity	Power over accounts	Examination of accounts and financial affairs, Consideration of budget estimates (other than Audit Office), Efficiency, economy and effectiveness of government policy, Efficiency and economy of policy implementation (value for money), Effectiveness of government implementation (delivery of outcomes), Undertake self-initiated inquiries		
		Involvement in AG' operation	Examination of Auditor General compliance reports, Examination of Auditor General Performance reports, Refer matters to the Auditor General for investigation,		
		power to examine its reports	Selection of the AG, Removal of the AG, Audit office annual budget and resources, Determination of Audit Office priorities, Development of Audit Office annual plan		

Scholars who believe in the importance of how a PAC is institutionalized, or created, have advocated two different positions. The first position is that the performance of a PAC is enhanced when a PAC is set up by a constitutional disposition (Rawlings, 2006). The second position is that the performance of a PAC is boosted when it is set up by an Act of Parliament - reasoning that such an enactment reflects the Parliament's commitment to the effective performance of the PAC itself (Jacobs, Jones and Smith, 2007).

Scholars who believe in the importance of the scope and the range of activities that can be performed by a PAC have generally suggested that the effectiveness with which a PAC performs its oversight function is a function of the scope of its mandate (Degeling, Anderson and Guthrie, 1996). In other words, the wider the mandate, the more effective the PAC.[2]

With regard to the importance of organizational features, the literature (McGee, 2002) has long acknowledged that some organizational features are highly beneficial to the effective performance of a PAC. In his now classic work, McGee (2002) highlighted that the success of a PAC is affected by two important organizational features: one is the size of the committee, while the other is the partisan affiliation of the chairperson.

Building on the results of the analysis of PAC performance in the Commonwealth (Pelizzo, 2011), Pelizzo and Stapenhurst (2012), in one of the most comprehensive studies on PACs, noted that in addition to the partisan affiliation of the chairperson and the size of the committee[3], performance is also enhanced when opposition forces are given a large number of seats on the committee. This represents a departure from what McGee (2002) had once argued for proportional distribution of seats to reflect the number seats in the parliament as a whole. Pelizzo and Stapenhurst (2012) found instead that the smaller the gap (in terms of the number of seats) between government and opposition, the more effective the PAC. While this finding is consistent with Beetham's idea that the PAC performance reflects 'relational power', that is the balance of power between the parliamentary parties, neither study looked at the relationship between the balance of power among parliamentary parties, (which we assess on the basis of the fragmentation of the parliamentary party system), and the effectiveness of PAC performance.

Pelizzo and Stapenhurst (2012) also noted that a PAC's ability to produce reports was significantly higher when the PAC was adequately resourced and staffed.

With regard to the importance of behavioral features, McGee (2002) famously observed that the success of a PAC depends, to a large extent, on whether the parliamentarians serving in the PAC are able to set partisan and ideological differences aside and behave in a non-partisan fashion. This view, advanced by McGee (2002) and reiterated in many papers (Stapenhurst et al. 2005) and legislative strengthening programs inspired by him, is completely antithetical to the position held by Beetham (2006). In fact, if McGee's position that non-partisan behavior is the key for a PAC success is correct, then the partisan composition of the committee (which, incidentally, McGee himself identified as a success factor for PACs) would be totally irrelevant—for if one does not follow the party line, then partisan composition is rendered irrelevant.

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[2] Operating under this assumption, Pelizzo (2010) constructed an index of PAC capacity. The index, named Formal Power Index, was an additive scale that basically reflected how wide was the PAC's right of access, power over accounts, and involvement in AG's operation. The analysis, conducted with data collected in a small number of Pacific Island states, revealed that there was little to no relationship between the formal powers at the disposal of a PAC and the amount of activity performed. On the basis of this evidence, Pelizzo (2010) argued that while PAC performance in small countries is not indicative of what happens elsewhere, the presumed relationship between formal powers at the disposal of a PAC and its performance is not a given.

[3] In a personal communication, Dr. Rasheed Draman, director of the Parliamentary Centre in Ghana, suggested to us that large N analyses may not disclose the importance of the partisan affiliation of the PAC Chairperson because of the heterogeneity of the data included in the sample, the partisan affiliation of the Chairperson remains crucial to the proper functioning of a PAC in divided societies. We thank Dr. Draman for this insight.

So far, very little attention has been paid to the functioning of a PAC and the balance of power among parliamentary parties represented in the committee. The only exceptions in this respect are represented, albeit for different reasons, by McGee (2002), by Pelizzo (2011) and by Pelizzo and Stapenhurst (2012). In contrast to McGee's suggestion (2002) that the success of a PAC depends almost entirely on its members' ability to work in a non-partisan fashion (an assertion, as explained above that denies *a fortiori* the importance of partisan affiliation as an explanatory variable), Pelizzo (2011) first and then Pelizzo and Stapenhurst (2012) showed instead that the number of opposition MPs has a statistically significant impact on the number of meetings held by a PAC.

While McGee (2002) and Pelizzo (2011) supported their respective claims with empirical evidence, their conclusions sit at odds with one of the largest body of research in comparative politics. Once we translate Beetham's notion of relational power into distribution of parliamentary seats among various parties, we transform an abstract concept into one of the most contested variables in the political science literature: the fragmentation of the party system—a variable that has over the years been credited for stabilizing and destabilizing governments, for enhancing and reducing government effectiveness, for affecting the quality of democracy and, last but not least, for undermining the fiscal responsibility of governments.[4]

Extensive literature on government stability and effectiveness (for a review see Pelizzo and Cooper, 2002) has, paradoxically, identified fragmentation of the parliamentary party system as the main determinant of both government instability as well its ineffectiveness. Recent studies (Mainwaring, 1993) on the alleged inability of presidential systems to sustain democracy made it clear that democratic breakdowns occurred under "presidentialism" were not caused by the presidential form of government, as Linz (1994) had asserted, but by the fact that the party system was highly fragmented. Sartori (1976) showed that highly fragmented and ideologically divided party systems are conducive to constitutional breakdowns under any form of government. Tsebelis (2002) finally showed that a political system characterized by a high number of veto players, as in the case of a party system that is highly fragmented, produces low quality legislation and creates condition for greater fiscal irresponsibility.

While some studies underlined that the political consequences of fragmentation are generally negative (government instability, government breakdown, government ineffectiveness, constitutional breakdowns, low quality legislation, fiscal irresponsibility, and so on), other studies have emphasized that some of the political consequences of fragmentation can actually be highly beneficial. Lijphart (1999), for instance, showed that the quality of democracy (measured on the basis of equality of income distribution, gender representation, voter turnout, and legitimacy) is negatively affected when power is concentrated in a single party whereas it is much higher when, thanks to the fragmentation of a party system, power is shared among various actors—namely, the members of a government coalition.

In other words, the notion of fragmentation of the parliamentary party system, which results from the number of parliamentary parties and their relative strength/size (number of seats), has been

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[4] The observation that the fragmentation of the party systems negatively affects the functioning of the political system, first advanced by Lowell (1896), has generated one of the largest bodies of research in the study of comparative politics. This proposition has been variously affirmed and denied, corroborated and falsified, abandoned and revised. For further discussion, see Pelizzo and Cooper (2002).

employed to explain a fairly wide range of phenomena and it is somewhat surprising to think that a characteristic that has had an impact on the functioning of so many elements of the political system, has no impact whatsoever on the functioning of the PAC.

Fragmentation and PAC performance

Before discussing whether and how the fragmentation of the party system may affect the functioning and the performance of a PAC, it is necessary to develop an adequate understanding of fragmentation *per se*.

Political scientists and party politics specialists use the term fragmentation, with both a static and a dynamic meaning. In fact, while the proper meaning of the term fragmentation is dynamic and refers to the process by which an entity is divided into parts or fragmented, political scientists tend to associate the term fragmentation to the presence of fragments and not, as they should, to the *process* through which fragments are created.

Be that as it may, party systems are characterized as fragmented when there is presence of multiple parties (see Sartori, 1976) and the level of fragmentation is a function of the number of parties. Specifically, the higher the number of parties, the higher is the level of fragmentation and conversely, the lower the number of parties, the lower is the level of fragmentation. When a party is in control of all the seats, in the parliamentary arena, there is no fragmentation. By contrast when there are as many parties as there are seats in the legislature, fragmentation is maximized.

Since parties are political institutions adopted to solve collective action problems, to facilitate coordination among MPs, by providing rewards and punishments to their members depending on whether they cooperate or defect, it is easy to understand not only why parties in the legislative arena tend to display fairly high levels of party unity or cohesion but also why they can be regarded as unitary actors.

The concept of the party as a unitary actor is useful for the present purposes, for it allows us to understand why if a party controls a large majority of seats and is characterized by high levels of cohesion, unity and discipline, it can prevent the legislature from properly overseeing government activities. The point was illustrated by Beetham, 2006): if a party controls a majority of seats and if the members are cohesive, the opposition forces do not simply have the strength, the 'relational power', to subject government activities to proper scrutiny. Hence, if the government party weakens, and the parliamentary seats are distributed more evenly among the various parliamentary parties, which, in its turn, is associated with a higher level of fragmentation, then oversight will be performed more effectively. Hence the postulation of our first hypothesis:

H1: the more fragmented the party system, the more effective the legislative oversight.

Political science literature has however made it clear that, for the most part, the political consequences of fragmentation are fairly detrimental for the proper functioning of the political system. Fragmentation, they argue, makes the political system dysfunctional. The reason, simply put, is that as the number of actors (parties) increases, the patterns of inter-party competition become increasingly more complex. There is only one pattern of interaction between two parties, there are three patterns of interactions between three parties, there are six patterns of interaction with four parties and so on. As the number of parties increases, the patterns of interaction become

more complex, solving collective actions problems becomes increasingly more difficult and, as a result, the political system becomes dysfunctional. If we believe that the conditions that ensure the proper functioning of a legislature are the same conditions that ensure that parliament performs effectively its oversight function, we should conclude that fragmentation is detrimental for legislative oversight. We can now formulate the second hypothesis:

H2: the more fragmented the party system, the more ineffective legislative oversight.

While these first two hypotheses posit straightforward causal relationships between variables, it is possible to derive third, more nuanced, hypothesis from the political science literature.

Moderate amounts of fragmentation do not prevent the political system from working properly (Sartori, 1976), they may even make the political system work better in a variety of respects (Lijphart, 1999), but high levels of fragmentation make the political system dysfunctional. If this proposition holds true also with regard to the functioning of PAC, then the effectiveness of a PAC increases when the fragmentation of the party system increases from no virtually no fragmentation to a moderate level while it worsens when the level of party system fragmentation turns from moderate into high.

H3: when the level of party system fragmentation increases from negligible to moderate, from the effectiveness of the PAC performance improves, whereas when the level of party system fragmentation increases from moderate to high, the effectiveness of PAC performance declines.

What evidence would sustain or, to use Popper's expression, corroborate these hypothesis?

The existence of a linear, positive and statistically significant relationship between the independent (fragmentation) and the dependent (the effectiveness of PAC performance) variables will corroborate H1. The existence of a linear, negative and statistically significant relationship between the independent (fragmentation) and the dependent (the effectiveness of PAC performance) variables will corroborate H2, while H3 will be confirmed if we find evidence of a curvilinear relationship between the two variables.

Testing our case

In order to test whether increases in the levels of fragmentation have different impacts on the effectiveness of a PAC vary depending on whether the increase is from no fragmentation to moderate or from moderate to high fragmentation, we need to find a case where a party system initially characterized by a high level of concentration (no fragmentation) has eventually evolved into a highly fragmented, where the political system could legitimately regarded as properly democratic and where a PAC is part of the parliamentary committee system.

For Duverger (1954) all party systems that are characterized by the presence of what Sartori (1976) calls a 'relevant party,' are one party systems.[5] Sartori (1976), in his successful refinement of

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[5] Duverger (1954) wrote that there are three main party system categories: the one-party system, the two-party system and the multi-party system. This party system typology was significantly revised by Sartori (1976) who preserved the two-party system category and modified both the one-party and the multi-party categories. In fact, Sartori argued that not all one-party systems are alike for some of them (predominant party system) are somewhat

Duverger's taxonomy, has shown instead that not all one-party systems are alike. One-party systems, Sartori argued, are systems in which no competition is allowed, hegemonic party system tolerate the existence of small parties as long as they do not pose a threat to the success of the hegemonic party, while predominant party systems are competitive one-party systems where opposition forces are tolerated, where elections are free and fair and where the predominant party is returned to power because it is able to win competitive elections time after time.

Of the three party system, characterized, from a structural point of view, by the presence of one-relevant party, only one is compatible with democracy (predominant party system), while the other two (one-party, hegemonic) are incompatible with democracy and do not provide a proper setting for testing the three hypotheses mentioned above.[6] In fact, if the fragmentation increases in a previously one-party or hegemonic party system, that would mean that the political system has democratized, it would not be surprising to find that a legislature performs more effectively its oversight function in a democratic setting than in a non-democratic one.[7]

Hence, only predominant party systems provide a proper setting for testing our three hypotheses. The literature makes clear that there are no longer predominant party systems, though party system scholars still employ the notion of predominant parties to describe the structure of competition in fluid polities in Africa and elsewhere. The literature, however, makes it clear that historically there have been two clear instances of predominant party system: Japan and India.

Since the Indian party system was and for many years remained a predominant party system, since it eventually became more competitive and therefore more fragmented, since it is now highly fragmented party system and since the Indian committee system features a PAC, India represents

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competitive and compatible with democracy, while both the one-party and the hegemonic party systems were neither competitive nor compatible with democracy. Most importantly, Sartori suggested that not all multi-party systems are alike. Systems that are characterized by moderate level of fragmentation function just as well as two-party systems, while systems that are characterized by high levels are dysfunctional, undermine government effectiveness, reduce induce government instability, prevent the emergence of alternative government alternatives, erode the performance-based portion of the legitimacy of the political system and may even lead to constitutional breakdown.

[6] One of the key refinements introduced by Sartori (1976) concerns the way party are counted. While political scientists had long contended that fragmentation of the party system was a variable of interest, that fragmentation had to do with the number of parties, little attention had been paid, before Sartori, to the way in which parties must be counted. Sartori underlining the fact that not all parties count and therefore can be discounted, suggested that party system specialists should limit themselves to counting only relevant parties. In Sartori's view a party counts, and is therefore relevant, under one of the following two conditions: a) whether it is at some point capable of making significant contribution to a (coalition) government or b) whether it can prevent the formation of a government or, because of its sheer existence, can alter the pattern of inter-party competition.

[7] In the last decade Pelizzo and Stapenhurst produced two papers (2004, 2006) in which they showed that the oversight capacity of legislature was a function of the level of democracy. Legislatures operating in more democratic countries were on average better equipped to perform their oversight function that legislatures operating in less democratic settings. While Pelizzo and Stapenhurst argue that a legislature's oversight capacity may have a significant impact on the legislature's ability to perform its oversight function, they do not suggest that oversight effectiveness was a deterministic outcome of oversight capacity. A more articulated discussion of the relationship between oversight capacity, oversight effectiveness and democratic quality can now be found in Pelizzo and Stapenhurst (2012).

the proper setting for testing whether, how and to what extent changes in the level of party system fragmentation have affected the performance of the PAC.[8]

Before we proceed to test the three competing hypotheses, we need to say a few words about how we operationalize our variables, that is the fragmentation of the party system and the effectiveness of the PAC and we need to say a few words on our data sources.

The fragmentation of the Indian party system is measured by employing Rae's index of fractionalization. Rae's index of fractionalization is measured on the basis of the following formula:

$$F = 1 - \frac{1}{n(n-1)} \sum_{i=1}^{N} f_i (f_i - 1)$$

While this index can be applied to estimate the fragmentation of the party system both in the electoral and the legislative arena, in the present paper we will limit ourselves to estimating the fragmentation of the parliamentary party system on the basis of the official reports concerning the distribution of parliamentary seats for the period beginning with the first legislature (elected in 1952) and ending with the legislature elected in 2004.

The effectiveness of the Indian PAC is measured on the basis of the number of reports it produces, on average, on a yearly basis. The data were made available by PRS Legislative Research.

If H1 were correct, the correlation between these two variables should yield a positive and statistically significant relationship between these two variables, while if H2 were correct, the correlation analysis should yield a negative and statistically significant Pearson coefficient. Yet, once we correlate the two variables we find a statistically insignificant negative coefficient. See table 2.

Table 2. Correlation Analysis. Fragmentation and PAC effectiveness. (sig.)

	Average Number of PAC Reports per year
Fragmentation	-.154 (.599)

If instead of correlating these two variables, we decided to regress one against the other as indicated in the following model:

ANR = a + b1 Fragmentation + e

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the model would assume the following values:

ANR = 35.077 -16.794 Fragmentation

       (.099)   (.599)

The significance levels reported in the parentheses made clear that no regression coefficient is statistically significant. Furthermore, the regression analysis yields an R-squared of .024, which means that the model does not do a terribly good job in explaining the variance in the Average Number of Reports (ANR) produced by the PAC on a yearly basis.

The model could be mis-specified for at least three reasons. First, we may have not chosen the right independent variable—a conclusion that would vindicate all those scholars and practitioners who have generally neglected to examine the possible impact of fragmentation and 'relational power' on the functioning and the performance of a PAC. The second reason why the odel may be mis-specified is that the relationship between fragmentation and PAC performance may be conditiona, that is may exist or not depending on the presence/absence of additional conditions (corruption, attitudes of MPs, expectations about government stability). The third reason why the model could be mis-specified is that fragmentation and PAC performance are related to one another but not linearly—something that linear regression models, that can only capture whether and to what extent variables are linearly related to one another, are inherently unable to properly estimate.

Visual inspection of the scatterplot displayed in Figure 1 sustains the claim that the relationship between party system fragmentation and the number of reports produced by a PAC is a non-linear one. See Figure 1.

Figure 1. Fragmentation and PAC reports
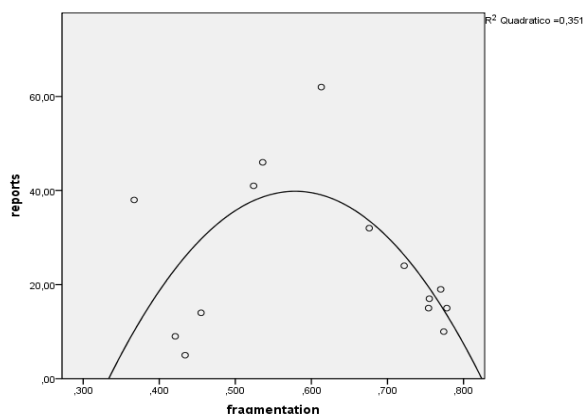
If instead of running a linear regression model (OLS), we run a quadratic regression, we find that the variance explained by the model increases from .024 to .351 and while the regression coefficients remain statistically insignificant there is some reason to believe that they are substantively significant (Achen, 1982: 46-51).

Specifically the model takes the following values:

ANR = -182.115 + 766.935 fragmentation- 662.515 fragmentation.

If we are correct in claiming that, while statistically insignificant, the regression coefficients are nonetheless substantively significant, then we may conclude that the evidence generated by the quadratic regression model corroborates the third hypothesis (H3), which suggested that while up to a certain level, fragmentation makes the political system more competitive and oversight more effective, after a certain level it makes the political system dysfunctional and oversight ineffective.

The question that remains to be addressed at this stage is: what is the turning point? At what level does fragmentation stop having a beneficial effect and start having a negative one? For Sartori (1976:131) "the turning point is *between five and six* parties". Visual inspection of figure 1 suggests that, in spite of the presence of an obvious outlier, the turning point is at around .600 or, to be more precise, from .600 upward. But what kind of party system fragmentation generate a fractionalization of .600? How many parties do we need to have a fractionalization of .600? This question can be answered in two ways depending on whether we want to know the number of real parties that may generate such a fractionalization or whether we simply want to know the effective number of parties.

The effective number of parties is a measure that tells us the number of equal-size parties that would generate the level of fractionalization that we measure in the real world. The effective number of parties is measured on the basis of the this formula:

$$\text{ENP} = \frac{1}{1-F}$$

If the fractionalization equals .6, we can solve the formula and find that

$$\text{ENP} = \frac{1}{1-.6} = \frac{1}{.4} = 2.5$$

This means that in order to have a fractionalization of .6, we need 2.5 equal-sized parties.

But how many real-world parties do we need to record this level of fractionalization? It depends on how parliamentary seats are distributed among the various parties. A fractionalization of .600 could be recorded in a party system when four parties win respectively 49, 39, 8 and 4 per cent of the vote, but it could also be recorded in a party system when twelve parties win respectively 50, 38.5, 1,5, 1, 1, 1, 1, 1, 1, 1, 1, 1 and 1 per cent of the vote. Recall that fragmentation of the party system, as measured by Rae's index of fractionalization, is a function not only of the number of parties but also of their size (number of seats).

Conclusions

The analyses conducted so far suggest several conclusions. First, it seems that the relationship between fragmentation and PAC performance may curvilinear—which means that while up to a certain point increases in the level of fragmentation make the political system more competitive and enable the PAC to act more effectively, further increases in the level of fragmentation prevent parliament and the PAC from properly functioning. This finding is not simply interesting for scholars working on PACs, but more broadly for all the party system scholars that inquire into the

political consequences of party system fragmentation. The evidence at our disposal sustains the claim that fragmentation may have both a beneficial or detrimental impact on the functioning of the political system, depending on its level. In doing so, our evidence supports a conclusion that Sartori had forcefully advanced in his masterpiece (Sartori, 1976).

Second, while Sartori had argued that a political system becomes dysfunctional when there are from between 5 and 6 parties, the data at our disposal suggest that performance of a PAC starts declining from its peak already when the fractionalization of the parliamentary party system equals .6 or when the Effective Number of parties equals 2.5. Furthermore, the data make it clear that once the level of fractionalization approximates .8, the PAC performs as poorly as it does when power is concentrated in the hands of predominant party. This evidence allows us to qualify the argument advanced by Beetham (2006). While Beetham (2006) believes that parliaments fail to properly oversee the executive when the governments control large and cohesive parliamentary majorities, our evidence shows instead that too much power concentration or dispersion are both equally detrimental for parliament's ability to oversee the executive. The difference is that in the first case the government rules and the parliaments fails to control, while in the second there is neither rule nor control.

Third, since parliament is most effective in overseeing the government when the fractionalization of the parliamentary party system is between .5 and .6, which is recorded when the government and the opposition control roughly a similar share of the parliamentary seats, this evidence corroborates not only the idea that the PAC works best when the government does not overwhelm the opposition (Pelizzo, 2010) but also the idea that parliamentary governments work best when neither the government nor the opposition are fragmented (Lowell, 1896).[9] While Lowell did not have the statistical tools to perform proper statistical analyses on the relationship between government stability and fragmentation (of the government, of the opposition, of the parliamentary party system), Lowell's hypotheses and intuitions have been corroborated by statistical analyses performed in the last forty years (Taylor and Herman, 1971).

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[9] Lowell in fact argued that "the parliamentary system will give the country a strong and efficient government only in case the government consists of a single party. But this is not all. The opposition must also be united."

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