

weak and insufficient when faced with the unrestrained flow of foreign finance.

We can only hope that despite this pessimist conclusion the Irish example can still offer valuable lessons for East Central Europe. The region today finds itself more or less where Ireland was at the start of the 2000s—with a successful, externally driven industrial sector that has experienced some upgrading but is still weakly embedded in these countries' economies. It is also facing growing conflicts over cost increases, organisation of the skill supply and the involvement of domestic capital, which, as things stand, are unlikely to be easily allayed (or sidelined) by another bout of financialisation. Ó Riain's book does some impressive groundwork in pointing out the possible alternatives in terms of institutions and social structures that can support further upgrading, as well as the dangers and competing projects that might detract from it. Its flaws, such as they are, are above all an invitation to examine his insights in greater detail, hopefully uncovering new opportunities for development in the European peripheries.

Vera Šćepanović,
European University Institute, Florence
vera.scepanovics@gmail.com

Joel Sawat Selway: *Coalitions of the Well-being: How Electoral Rules and Ethnic Politics Shape Health Policy in Developing Countries*

Cambridge 2015: Cambridge University Press, 308 pp.

Why do certain nations manage to enact broad and encompassing social policies, while others succumb to narrow interests, commonly known as pork-barrelling? This question is particularly important for developing economies, where social policies have an immense impact on population well-being, and where the ability of gov-

ernments to enact such policies influences both democratic legitimacy and social peace. Joel Sawat Selway's answer is what he terms a 'socio-institutional theory of public goods provision'. Specifically, he focuses on why some developing countries have more efficient health systems than others. He argues that the way in which electoral rules are coupled with existing social structures shapes the strategic behaviour of parties, and therefore their policy output, into either broad or narrow policy outcomes. His case is that proportional representation (PR) systems are more suited to ethnically homogeneous societies, first-past-the-post (FPTP) or other majoritarian systems are better suited to ethnically diverse but geographically disperse societies, and neither system is superior in a divided society with isolated ethnic groups.

The book is structured into four parts. The first part begins with a concise introduction and summary of the main argument and contributions, continuing with a literature review, a strong exercise in theory building, followed by a quantitative testing of the main hypotheses derived from the theory. The second part opens the series of case studies, by looking at electoral rules and health policy in countries with low saliency of ethnic divides. He continues by looking at divided but geographically dispersed societies, followed by cases with isolated diverse ethnic groups.

In developing his theoretical framework, Selway builds on two well-established strands of literature. Institutionalist theories argue that electoral laws, which establish the size of constituencies that politicians are accountable to, determine the breadth of policies, with broader bases leading to more universal policies. The second set of theories argue that divided nations find it much harder to pass broad policies, mainly because party systems form on the lines of the divisions. Selway points out two problems with these approaches. The first is that the 'superiority of PR' theo-

ry was mainly based on developed democracies. The second is the presence of success cases among ethnically diverse countries. The main comparison in the book shows how divided Mauritius outperformed the more homogeneous Thailand when they had similar institutions and levels of development. Specifically, Selway argues that when PR is used in divided societies, it re-creates ethnic divisions into political parties, by accurately representing them, giving no incentives for coalitions and cooperation. This is particularly pernicious, he points out, when there are few districts. PR with more districts, on the other hand, creates disproportionality between the size of ethnic groups and their representation. This means that parties need to make alliances in order to gain either power or at least representation, which means they need to appeal to other groups and cut across cleavages. This is best done in FPTP because it potentially creates the greatest disproportionality and thus the greatest fear of being left out of parliament.

To test his theory, Selway employs a mixed-methods design. He first tests several derived hypotheses using quantitative models on 70 middle income and 20 high income countries. Afterwards, he devotes extensive chapters to case studies. Selway makes a convincing case for combining the use of deductive, quantitative methods with inductive, qualitative ones. In this manner he tries both to construct a general model and to properly test causality, to see if his assumed mechanisms actually play out in cases. Selway's empirical analysis begins with building quantitative models. In doing so, he uses an outcome measure of education as literacy and of health as life expectancy. His first finding is that, by itself, ethnic fractalisation has a negative effect on education and health. He finds that district magnitude, as a measure of electoral rules, increases literacy but decreases life expectancy, while PR does the opposite. When he analyses only diverse societies

with geographic intermixing, he finds that PR and larger district magnitudes have the predicted negative effect. In isolated diverse countries he finds mixed results.

The qualitative chapters then try to prove that it is in fact the author's mechanism that explains these effects. He begins with countries with low ethnic salience. The main case is Thailand, which operated with an FPTP system before 1997 when it was changed to a PR system. Selway shows in detail how politicians were motivated by FPTP to cater to local interests instead of national ones, and how this changed once PR was introduced. Botswana is then used as a confirming case, where low ethnic salience combined with an FPTP system produced economic growth but a lot of inequalities, including in health allocation. New Zealand is also used as a confirming case, arguing that the change to PR in this low ethnic salience country led to a better integration of the Maori and more universal health care. The case studies continue with high ethnic salience countries with geographic intermixing. Mauritius, the second key case, is presented as a success where a majoritarian system cut across ethnic lines. Combined with a high salience of health policy, this resulted in universal provisions. Importantly, Selway shows how parties actually formed their strategy in cutting across ethnic lines in order to get votes. Malaysia is used as a confirming case, showing how the same uncertainties in parties led to coalitions that cut across divides. These cases, therefore, seem to confirm the intervening mechanism of uncertainty as driving cooperation and, consequently, more universal policies.

In the last set of comparisons, Selway looks at countries with large number of minorities which are geographically isolated, also known as the 'doomed' cases. In these countries, producing public goods is close to impossible and ethnic violence is likely. To show this he looks at Myanmar, following its democratic decades last century,

where he shows how FPTP led to ethnic voting in enclaves. He also discusses, theoretically, how PR would have led to the same outcome. In the last chapter Selway offers a possible solution by briefly looking at Indonesia's special electoral system. Indonesia is ethnically diverse with isolated communities, yet uses a PR system with a special requirement that parties need to have branches in more than half of the provinces. This artificially solves the geographic isolation problem by practically intermixing constituencies. He ends the book with a discussion of other explanatory factors and possible policy recommendations.

Overall, the book is an impressive accomplishment in comparative analysis. It is a very ambitious project with many possible contributions. Empirically, Selway deals with cases not often studied in the broader literature. In terms of theory, by borrowing from different traditions he also contributes to several different types of debates, ranging from social policy provision to the larger debate on whether divided societies should strive to represent divides or undermine them. Concerning the latter, he offers a different way of assessing the two models, by looking not at the incidence of violence but at public goods provision. The greatest strength of the book is the depth of analysis in the qualitative cases, particularly the two of interest—Mauritius and Thailand. This cross-case analysis is the strongest piece of evidence for the book's main claims. The within-case analysis is strengthened not only by the author's breadth of knowledge but also by his use of a wide range of measures for health in terms of policies and health outcomes, as well as tackling possible alternative explanations.

Selway's case selection is overall quite strong and convincing. By using multiple cases he explores almost every type in his classification and checks causal mechanisms across countries which show a great deal of variation in his independent variables. The use of many other examples in

discussing electoral systems, social structure, and outcomes further strengthens his causal claims. However, there are still possible shortcomings in this selection. The first is that he does not analyse an actual case that has a divided but geographically mixed society and a PR system. Checking such a case could have added greatly to his theory, if he could have shown how PR systems produce negative outcomes. This would have been particularly important as it could have answered the question of whether geographic dispersion produces a preference for an FPTP system, making it the central explanatory factor, or whether such a system could come independently and produce the effects Selway describes. A second issue is that the case chosen to test the validity of the findings in Mauritius is Malaysia. However, a case with a much different make-up of ethnic groups would have strengthened the claim that this mechanism works in all geographically dispersed divided societies, not just those with a dominant ethnic group that cannot form an absolute majority by itself. However, these shortcomings in case selection are diminished by the careful use of other examples.

Perhaps the least developed part of the book is the quantitative analysis. Several problems arise. The first is the choice of the dependent variable of looking at life expectancy and literacy rates. The issue here is that there can be a great disconnect between government policies and these outcomes. There is a large literature showing how health outcomes depend much more on education, income, and other individual variables [e.g. Evans et al. 1994]. Therefore, many scenarios are possible where health policies are universal yet life expectancy is low, and vice versa. The only alternative Selway discusses is measuring spending on certain services. However, there are several other possible measures, such as overall coverage, the public/private sector mix, coding actual policy reform and so on,

which he does not discuss. Nevertheless, this criticism should be considered in the light of the fact that such operationalisations are very time-consuming, whereas the main focus of the book is on the qualitative aspects. However, a second problem regards the interpretation of the results. Selway argues that his results show 'moderate-strong' support for the model in the book, given the direction of the effects. But he interprets coefficients that are not significant (district magnitude has an insignificant effect on life expectancy, and PR has an insignificant effect on literacy), so even if they present the expected direction, this can be equally attributed to error. Moreover, the size of the significant effect showing how PR is negatively related to life expectancy in divided societies is quite small (a change from PR being equivalent to 4 extra years). More importantly the r-square for that model shows that it explains only 5% of the variance. This suggests that many other possible factors are at play, an issue to which I will return. Lastly, as expected given the measure, GDP and population size have the highest explanatory power.

Therefore, a more conservative reading of the quantitative results would be that there is no clear support for the theory from those specific models, given the lack of consistency of results and the low explanatory power of some of the models. This issue might be solved by using better measures and more complex models—for example, by explicitly modelling the interaction effects between social structure and electoral system. A better constructed quantitative model could also give greater evidence for the external validity of the theory. While the use of case studies does in fact show that the findings can travel beyond Thailand and Mauritius, the book falls short of convincing the reader that it can apply to all developing countries. However, these limitations are acknowledged by the author.

Related to validity, another possible weakness of the theory can be found in one of its strengths: the fact that the explanation is very elegant. While the two-factor explanation is convincing in itself, it is not convincing in showing that other factors do not play a role, especially when one can point out several contradictory cases, such as ethnically divided Latvia with a PR system which has a universal public system, or the less diverse United Kingdom that also has a universal system despite using FPTP. This suggests that other factors might be at play, such as veto players or other factors which might correlate with the success of having multi-ethnic parties.

Despite these shortcomings, Selway is ultimately successful in proving the primal importance of political arrangements, and his particular explanation of the effect of electoral systems interacting with social structure in determining health policy coverage. While the external applicability of his specific argument might be in doubt, it does appear to hold very well for his cases. More generally, it is also convincing that his factors are at least relevant for many other cases. Moreover, the wide ranging contributions of this book and the impressive research design will surely make it very impactful in the ongoing debates regarding the provision of public goods and the kinds of electoral rules that are more appropriate for new democracies. Overall, this is a very interesting work, one that is sure to figure frequently in the syllabi on social policy in years to come.

*Alexandru Daniel Moise
Central European University
moise_alexandru@phd.ceu.edu*

References

- Evans, R. G., M. L. Barer and T. R. Marmor (eds.).
1994. *Why Are Some People Healthy and Others Not?: The Determinants of the Health of Populations*. Hawthorne, NY: Aldine de Gruyter.