

voting coalition—to form a political party. And those in the excluded minority have incentives to counterorganize. United, they may be more able to woo defectors to their side. If not, they can campaign to throw those rascals in the majority party out of office.

In sum, these theoretical problems affect elective office seekers and officeholders by reducing their chances of winning. Politicians therefore may turn to political parties as institutions designed to ameliorate them. In solving these theoretical problems, however, from the politicians' perspective parties are affecting who wins and loses and what is won or lost. And it is to parties that politicians often turn, because of their durability as institutionalized solutions, because of the need to orchestrate large and diverse groups of people to form winning majorities, and because often more can be won through parties. Note that this argument rests on the implicit assumption that winning and losing hang in the balance. Politicians may be expected to give up some of their personal autonomy only when they face an imminent threat of defeat without doing so or only when doing so can block opponents' ability to build the strength necessary to win.

This is, of course, the positive case for parties, for it specifies conditions under which politicians find them useful. Not all problems are best solved, perhaps even solved at all, by political parties. Other arrangements, perhaps interest groups, issue networks, or personal electoral coalitions, may be superior at different times and under different conditions (see Hansen 1991, for example). The party may even be part of the problem. In such cases politicians turn elsewhere to seek the means to win.<sup>17</sup> Thus this theory is at base a theory of ambitious politicians seeking to achieve their goals. Often they have done so through the agency of the party, but sometimes, this theory implies, they will seek to realize their goals in other ways.

The political party has regularly proved useful. The permanence of parties suggests that the appropriate question is not "When parties?" but "How much parties and how much other means?" That parties are endogenous implies that there is no single, consistent account of the political party—nor should we expect one. Instead, parties are but a (major) part of the institutional context in which current historical conditions—the problems—are set, and solutions are sought with permanence only by changing that web of institutional arrangements. Of these the political party is by design the most malleable, and thus it is intended to change in important ways and with relatively great frequency. But it changes in ways that have, for most of American history, retained major political parties and, indeed, retained two major parties.

### PARTY COMPETITION AND DEMOCRACY

And it is here, at this point, that the question of a party system arises. John Griffin and I (2010) recently published the account I paraphrase in this section. We argued that not only is a party system in equilibrium but also that, in two-party systems such as in the United States, each of the two major parties forms its own organizational complex, and that complex is also in equilibrium. Hence, there is a three-part equilibrium, with each party organization being in equilibrium in and of itself, and with the two parties forming a party system that is also in equilibrium. Further, we argued that an individual party is in equilibrium when its label conveys meaning to voters (i.e., the party stands for something), and it is sufficiently attractive to enough voters so as, in turn, to attract ambitious politicians to affiliate with it and its label. Given the goals of an ambitious politician in a two-party system, the individual party is in equilibrium when it can offer its candidates an even chance of election. In a two-party system, then, each of the parties is in equilibrium when elections are competitive. The important point is that each and every incumbent fears losing the next election, and indeed they should because the opposition has a credible chance of winning. What the equilibrium of the two-party system looks like will be considered in the next chapter.

Some have contended that in the absence of a competitive party system, intraparty competition among party factions might play the same role as parties in tying government policies to citizens' interests. For instance, Benedict (1985, 386) assessed mid-nineteenth-century factionalism and concluded that "factional competition provided another opportunity for the public, and especially active partisans, to influence policy." But this was just what Key (1949, see especially 302–6) strongly objected to as being almost exactly the opposite of a political party, at least in the early to mid-twentieth-century South. Factions, he claimed, were "ill-designed to meet the necessities of self-government" (1949, 310–11), lacking continuity in name, in leadership, and in the political candidates they presented to the public. As a result of factions' lack of continuity, the electorate necessarily becomes confused by the absence of a clear set of options, sustained over time. Parties and parties alone, he believed, are able to be held responsible and therefore forced to exercise at least a modicum of responsibility. Factions cannot be held responsible, he argued. This he demonstrated convincingly by examining one southern one-party state after another. Therefore, his argument continued, no elected official or his party will exercise responsibility, and he also demonstrated that southern Democrats did not, in fact,

do so. With factions, there is not a loyal opposition that will search for issues to bring up in an attempt to oust the governing party. Factions lack "collective spirit," a sense of duty and obligation, and any sense of "joint responsibility" between governor and legislature as well. In sum, factional politics undermines each part of Key's party triad (i.e., the party in the electorate, in government, and as an organization), both in the short term and, more worryingly, in the long term.

It might seem that the voter in a one-party (which was, to Key, a "no party") system could still be a "rational God of vengeance or reward," in the sense of retrospective voting that Key developed (1966). Not so, he argued. Retrospective voting needs a competitive alternative. At the same time, he extended his argument about how the lack of organized parties undermines the development of responsible leadership and affects the choices of those ambitiously seeking to enter politics.

The problem Key identified with factional politics was that it does not stand for any of three things that we might believe partisan contests for control of electoral offices to be about. Factions do not stand for ideas or policies that would help the voter distinguish one from another in the voting booth. Neither do they stand unified with ambitious politicians in seeking joint control of a large swath of offices, who therefore could be seen as bound together across the legislature, the executive branch, and in other offices chosen directly by election, or chosen indirectly by political appointment by elected officials. Third, factions do not typically, in Key's account, stand for control of the same office over time, making the transition from one occupant of that office to the next unconnected with what had transpired in that office, and thus denying the voter the ability to hold the party and its ambitious politicians accountable for conduct while in office.

Griffin and I thus contended that a competitive party system is a necessary ingredient of democratic politics. Meaningful party labels allow voters to play a substantial role in selecting the direction of policy and holding politicians accountable. Ambitious politicians affiliate with parties that create those meaningful (and, if they are good enough, popular) labels. A party will be competitive when its label attracts a sufficient number of voters and ambitious candidates, and a pair of competitive parties consists of two such parties, each of which is in such an individual equilibrium. They form a two-party system when each party acts and reacts to the actions of the other, thus integrating their choices into a system of strategic interaction. And it is at that point, and only at that point, of existence of a party system that democracy can be effective, at least in an extended republic.

## 2 WHY PARTIES FORM

Ratification of the Constitution launched America's "great experiment," testing the viability of democracy. This experiment began before national political parties were invented. The founders held deep sentiments against parties, yet many of them were instrumental in creating parties, justifying them as temporary necessities to make the great experiment succeed, as we will see in chapter 3. In the 1820s what effectively had become a one-party system led to a revival of concerns that the viability of the republic was threatened (see chap. 4). Martin Van Buren and others sought to revive the old party principles of Jefferson and Madison through a new form that historians have come to call the "modern mass party," and with formation of the Whigs this led to the first full flowering of a two-party system. Even with collapse of the Whigs, incentives for political parties were sufficiently strong that politicians turned almost immediately to the formation of the Republican and American ("Know Nothing") Parties. With the ascendance of the Republicans over the Americans, a two-party system was maintained (see chap. 5).

In these crucial moments, ambitious politicians sought durable solutions to what they perceived as critical problems. New partisan institutions were their chosen means. In each case not only were these problems seen as threatening the Union, but it was the politicians' seeking to achieve their goals—seeking to win—that led them to create parties.

In this chapter I will develop a theoretical account of the origins of political parties by demonstrating that there exists a set of incentives for ambitious politicians to "turn to parties." In particular, a series of problems that necessarily arise in elections and in governance make