

‘Soft’ forms of direct democracy: Explaining the occurrence of referendum motions and advisory referendums in Finnish local government

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Abstract

This study investigates forms of ‘soft’ direct democracy and identifies factors that explain their occurrence. Soft direct democracy refers to non-binding referendum motions and advisory referendums, which the literature on direct democracy has largely ignored. Strategic motives have dominated previous explanations of the occurrence of initiatives and referendums, but are less useful in exploring non-binding procedures of direct democracy. The article distinguishes four types of factors – socio-structural, party system, political support and learning – and tests hypotheses on their effects with sub-national data from Finland. The data enable us to compare two different types of instruments – non-binding referendum motions and advisory referendums – while controlling for many unobserved factors. The findings show that erosion of political support, participatory traditions and policy diffusion explain the occurrence of referendum motions, while the last two together with small population and party system factors predict the occurrence of advisory referendums.

Keywords: Direct democracy; Local government; Referendum; Finland; Agenda-setting

1. Introduction¹

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Increasing numbers of citizens around the World can participate in the decision-making of their governments with instruments of direct democracy (Altman 2010; Butler and Ranney 1994; LeDuc 2003; Morel 2001; Qvortrup 2014a; Setälä 1999; Setälä and Schiller 2012). Direct democracy in general refers to popular voting on policy questions, and its most typical institutions are initiatives and referendums (Budge 1996: 2). Instruments of direct democracy in today's 'referendum democracies' (Mendelsohn and Parkin 2001) are often legally non-binding – i.e. advisory –, guaranteeing citizens no direct control over policies. These 'soft' forms of direct democracy (Gamper 2015) provide expressions of public opinion as a policy advice, while the decision-making power remains at the hands of elected representatives. Therefore, they differ significantly from binding referendums and so-called full-scale initiatives (Schiller and Setälä 2012). This article analyses factors that explain the occurrence of legally non-binding direct democratic procedures in Finland, comparing referendum motions and advisory referendums. A deeper understanding on the dynamics of soft direct democracy is needed because these institutions exist nowadays in most European countries, but also because the use of other advisory participatory innovations is growing (Fung 2015; Smith 2009).

Local government in Finland provides a particularly fruitful case to study these factors, because of strong local autonomy as well as the availability of two different kinds of direct democratic instruments. In Finland, local politics makes a real difference for citizens' everyday lives because sub-national political units are responsible for providing most of the public services (Sjöblom 2010). Furthermore, the lack of regional government up to this date has made Finnish municipalities almost 'mini-states' in their decision-making power, compared to other Nordic countries. There are also two different legally non-binding instruments at the local level in Finland – referendum motion that stems from the citizens, and referendum initiated by the local government – allowing for the comparison of bottom-up and top-down processes.

Scholars have stressed the need to better understand the workings of direct democratic instruments as they become more common (Hug 2004), but the task has turned out to be difficult if not impossible to carry out (Lijphart 1984). The most developed theories on the causes of citizens' initiatives and referendums have been tested in the context of the US states and Swiss cantons (Baldassare and Katz 2008; Bowler and Donovan 2000; Damore et al. 2012; Gerber 1999; Gordon 2009; Lutz 2006; Magleby 1984; Vatter

2000). Institutions of direct democracy in these countries grant the citizens a full decision-making power that the representative institutions must respect. These theories are, however, difficult to test in many other countries that do not have as rich volume of direct democratic processes as these rather anomalous ‘showcase’ systems (Mendelsohn and Parkin 2001). Scholars have therefore relied on case studies and qualitative comparative analysis when explaining the rare occurrences of direct democracy in other countries, where for example European integration and other fundamental questions of independence have sparked the use of direct democracy (Hug 2004; 2003; Mendez et al. 2014; Morel 2001; Qvortrup 2014b; 2006; Setälä 1999). In this approach, the causes of direct democracy have usually been sought in the strategic motives of politicians aiming to maximize their power (Bjørklund 1982; Breuer 2009; Laisney 2012; Mendez et al. 2014; Møller 2002; Morel 2001; Rahat 2009; Smith 1976). As a result of these two strands of earlier literature, it seems that we still lack theories explaining the use of ‘soft’ direct democracy that treats citizens as policy advisors, not as policy-makers.

A fruitful ground to test these theories is the local level where we find plenty of cases of interest, i.e. actually occurred initiatives and referendums. Many countries have introduced legislation that enables some kind of citizens’ initiative or referendum at the local level (Bjørklund 2009; Scarrow 2001; Schiller 2011a). In Europe, for example, local citizens’ initiatives exist in 40 per cent of the countries, and 75 per cent of countries have some kind of optional referendums at the local level (International IDEA 2014). Finally, focusing on the sub-national level minimizes the impact of unobserved factors, which poses a serious problem to cross-country comparisons (Gordon 2009).

This article asks, why some municipalities in Finland experience referendum motions and advisory referendums while others do not. The article proceeds as follows. The next section places instruments of soft direct democracy within the wider array of direct democratic institutions, and discusses their applications in Europe as well as in the specific case of Finland. After that, factors explaining the use of referendum motions and advisory referendums initiated by local governments are discussed and hypotheses formed. Data, variables, and methods are described thereafter. Finally, results of the statistical analyses are presented, followed by a discussion on the implications of the findings for democratic local government and research.

2. ‘Soft’ direct democracy and its applications

Institutions of direct democracy vary in terms of a few fundamental criteria (c.f. Smith 1976). It has been argued that the question of who initiates a referendum has the greatest impact on the practice and dynamics of these procedures (Morel 2001: 48). The initiator of a referendum is usually either the representatives or the citizens, but sometimes also the constitution (Setälä 1999)². In general, *citizens’ initiatives* are procedures in which a group of citizens by collecting signatures puts forward a policy proposal. Full-scale initiatives lead to a referendum automatically if the quorum is met, and they are used in jurisdictions with long traditions of direct democracy, such as the US states and Switzerland. This article focuses on *referendum motions* where citizens articulate an issue they want to put to a vote, but the decision is left to the consideration of the representative body (Schiller and Setälä 2012). A special type of initiatives are agenda initiatives, where a certain number of eligible voters can place an issue to the parliamentary agenda.

Referendums are not, however, always initiated by lay citizens or their movements. The term *government-initiated referendum* – the second institution this article studies – is used broadly to refer to popular votes put forward by representative bodies such as the legislature, executives, or the head of the state (Breuer 2009). In this article, ‘government’ refers specifically to local governments, not to the central government.

Institutions of direct democracy vary not only in terms of the initiator of a popular vote, but also in terms of their decisiveness (Suksi 1993). When citizens’ initiatives are in question, full-scale initiatives and popular referendums always result in either a referendum or new legislation, whereas in referendum motions and agenda initiatives the representative body can decide not to hold a referendum or not to implement the policy demanded by the citizens. Although institutions of government-initiated referendums that are organized on an *ad hoc* basis are often advisory by law, their results are, however, usually considered politically binding (Hug and Sciarini 2000; Setälä 1999).

Legally advisory instruments of direct democracy have nevertheless received criticism from the direction of legal scholars and democratic theorists. Some would rather

² In Suksi’s typology (1993) same criteria are applied, but he treats both mandatory referendums and government-initiated referendums as *passive* referendums, whereas citizen-initiated institutions are *active*.

describe these as having some ‘direct-democratic’ quality instead of considering them as full direct democracy (Schiller 2011: 15). Legally non-binding direct democracy violates the principle of popular control that others emphasize as a fundamental design principle of democratic institutions (Smith 2009). As pointed out by Gamper (2015: 69), social sciences in general, however, recognize the significance of these advisory instruments of citizen participation for other democratic goals, such as the legitimacy of political decisions, although legal scholarship has tended to ignore them.

It has thus become common, especially in Europe, for direct democracy to be adopted in this ‘soft’ form – as a way to consult citizens instead of delegating direct decision-making power to the *demos*. Nordic countries have adopted very similar measures in terms of developing local democracy and the channels for direct participation by citizens (Aars 2007: 215; Schiller 2011), and they are also typical examples of the adopters of ‘soft’ direct democracy. Sweden has similar consultative local referendums as Finland in the legislation, and in Norwegian municipalities consultative referendums are used frequently although they do not have a legislative basis (Schiller 2011: 19). Referendum motions exist also in Norway and Iceland. Similar legislative frameworks for legally non-binding referendum motions and advisory referendums at the local level can also be found in some German states as well as in several countries in Central Europe such as Slovakia, Slovenia, the Czech Republic, and Bulgaria (Schiller 2011b; Sutela 2001). Soft direct democracy also flourishes at national and transnational levels of government, as depicted by the increasing adoption of legally non-binding agenda initiatives in some European countries including Finland (Christensen et al. 2015; Schiller and Setälä 2012), and the introduction of the European Citizens’ Initiative in 2011 (Cuesta-López 2012; Kaufmann 2012).

The Finnish local referendum motion and advisory referendum can be classified as rather weak instruments in terms of their decisiveness (Sutela 2001). At minimum five per cent of the eligible voters in the municipality may submit a referendum motion to the local council.³ The council – an equivalent to the local parliament in the Finnish context – then has to decide as soon as possible, whether to hold a referendum on the

³ Organizing and collecting signatures for municipal agenda initiatives and referendum motions online became possible in 2013 with a platform www.kuntalaisaloite.fi (meaning ‘www.municipalinitiative.fi’) provided by the Ministry of Justice. Before that, signatures had to be collected on paper.

issue referred to in the motion or not.⁴ In terms of government-initiated referendums, elected members of the local council may propose a referendum on an issue that concerns the municipality, and the popular vote is held if the majority of the council supports the proposal.⁵ The legislation states that the voters must be given also the possibility to express that they do not support any of the alternatives.⁶ Results of local referendums, regardless of their initiator, are advisory by law.⁷ Referendums discussed here are also optional, meaning that the representatives' decision to initiate a referendum is always made on an *ad hoc* basis, as opposed to *mandatory* referendums that are required by the constitution or municipal law in other countries, for example on questions of autonomy (Suksi 1993: 31).⁸

Based on the research conducted for this study, Finnish municipalities experienced at least 59 referendum motions between 1991 and 2012.⁹ In 2012, there were altogether 336 municipalities in Finland. In this study we only include cases in which a list of signatures by minimum five per cent of the municipal residents was handed to the local council, and the council made a decision concerning the motion. The occurrence of referendum motions has increased over time. In the beginning of 1990s, only a few municipalities experienced successful signature gathering campaigns, whereas during the latter half of the 2000s there were referendum motions in more than 20 municipalities. In addition to the referendum motions of which only eight led to a referendum, there have been 52 government-initiated referendums during 1991-2012. Unlike the occurrence of referendum motions, the use of referendums has remained quite stable over time: on average there have been ten referendums in Finland at large during every four years i.e. local council term.

⁴ Local Government Act 365/1995, Section 31. In the new Local Government Act enacted in 2015, the threshold for submitting a referendum motion is 4 per cent of eligible voters (Section 25). The 5 per cent threshold was, however, in place during the time period analysed in this article.

⁵ Local Government Act 365/1995, Section 30; LGA 410/2015, Section 24.

⁶ In practice, however, voters in Finnish municipalities have been faced with ballot papers with only alternatives "Yes" and "No". While this article does not seek to explain the success of local referendums, presenting voters with only two alternatives may increase the likelihood that the council follows the referendum result, because the vote produces a clear majority.

⁷ In addition to the referendum motion and government-initiated referendum, the LGA has also recognized a consultative agenda initiative by 2 per cent of the residents, and a petition by a single resident since the 1990s (Local Government Act 410/2015, Section 23).

⁸ There is one exception when a local referendum may be mandatory: According to the Act on municipal mergers, the Ministry of Finance may order the organization of a local referendum in conflictual situations. This does not, however, pose a problem to the empirical analyses, because it has only happened once, and that case is excluded from the dataset.

⁹ Data on the occurrence or outcomes of referendum motions have not been collected systematically by any public agency or research organization.

3. Explaining the use of ‘soft’ direct democracy: Towards a theory and hypotheses

As mentioned in the introduction, previous studies have often sought explanations for the use of direct democracy in the strategic motives of politicians and interest groups. These studies tell us little about the favourable preconditions and possible obstacles for the use of direct democratic instruments in general. Furthermore, strategic motives work especially poorly as explanations for soft direct democracy, because citizens are not a real veto-player in these instruments (Hug and Tsebelis 2002). This article thus lays out a number of theoretically informed system-level explanations for the use of soft direct democracy, that are then tested for two types of procedures in the Finnish context – referendum motions and government-initiated referendums.

A further reason to study system-level factors is that the motives of elected and civic actors are difficult to analyse objectively. Electoral winners and losers interpret the determinants of a specific decision differently, so the interpretation of motives depends on who you ask. In social psychology, this has been called attribution bias, where negative outcomes produced by others are often blamed on the individual characteristics of these others, whereas one’s own non-success is seen as a result of situational or contextual factors (Morrell 2014). The opposition usually blames the initiators of a referendum of window-dressing, avoidance, or other strategic behaviour, whereas the initiator claims to genuinely listen to the will of the people. It is also likely that several motives are subsequently in place for different political and civic actors, and these motives are strongly mediated by citizens’ demands, socioeconomic and demographic factors. Focusing on system-level factors should therefore provide us more objective and comparable information on the favourable preconditions for both citizen- and government-initiated soft direct democracy.

The following section discusses four different categories of factors that can be expected to explain, first, the use of referendum motions, and second, the use of advisory government-initiated referendums. First, we can distinguish *socio-structural* factors consisting of the population and its heterogeneity. Second, *party system* factors are linked to the political power relations and ideologies, followed by the category of *political support* of the system, which describes the alignment between the citizens and authorities. While these factors have also been used in some earlier studies looking at

system-level determinants of direct democracy and participatory governance, this article introduces a fourth category of *learning* factors, that takes into account the temporal and spatial diffusion of cultural traditions and policies.

3.1 Referendum motions

Socio-structural factors

In citizens' initiatives a group of voters puts an issue to the political agenda or proposes a referendum. While legally binding initiatives can be regarded as means of direct influence of minority groups that do not have a broad basis in the legislative (Vatter 2000), referendum motions instead open up the political agenda to new discourses and views outside the political elite. These may also concern issues that resonate relatively widely in the electorate, but have not had proponents in the representative bodies (Damore et al. 2012). The existence and prominence of these minority groups and alternative discourses can be traced back to socio-structural factors that may explain why some jurisdictions have more referendum motions than others. Alternative discourses develop in numerically large and urban populations because they are also relatively heterogeneous. These circumstances make it challenging for the representatives to predict voter preferences, thus increasing the implementation of possibly unpopular policies (Matsusaka and McCarty 2001). We can therefore hypothesize that *large and urbanized population increases the occurrence of referendum motions*, as previous research also suggests (Font et al. 2014; Gordon 2009; Vatter 2000).

Party system

The use of referendum motions is also related to representative institutions and parties that fill political positions. How power is shared between political parties in the government has been a standard determinant in previous studies on citizens' initiatives (Vatter 2000; Damore et al. 2012). In general, proportional representation allows a quick response to new political movements and ideas (Vatter 2000: 178). It ensures that most political groups and opinions among the electorate are also represented in the decision-making bodies (Sjöblom 2010), resulting in party systems with many parties. However, the more parties are sharing power in the government, the more compromises are required in the decision-making (Tsebelis 1995). The same applies to local councils

that are the main decision-making bodies at the local level in Finland as in other Nordic countries (Lidström 2001). Citizens' discontent with compromised, middle ground policy outputs may therefore explain the use of referendum motions, if such instrument is available. Fragmentation of power between political parties has also been shown to increase the use of full-scale initiatives (Ladner and Brändle 1999). We could therefore assume that *party system fragmentation increases the occurrence of referendum motions*.

Approximately one third of the local councils in Finnish municipalities are in practice ruled by one party, which in the majority of cases is the Center party (Piipponen and Pekola-Sjöblom 2013: 76). Although the number of these municipalities has decreased in the last few elections, it is still a significant feature in terms of who uses political power in Finnish municipalities. In line with the previous hypothesis, we could therefore assume that *the extreme case of one-party majority decreases the occurrence of referendum motions*. These municipalities are, in practice, rural jurisdictions with small and elderly populations. Even though minorities in these municipalities could in theory reach the threshold required for a referendum motion, this type of civic activism is not likely to attract many citizens.¹⁰

Direct participation of citizens is also given different value and emphasis in different political ideologies. In Europe, and in Finland as well, direct democracy and government transparency have been one of the guiding principles of the Green parties (Büchi 2011; Dalton et al. 2001). The political Left has also traditionally demanded more popular control over collective decisions to foster social justice, community, and other values (Fung and Cohen 2004). Third, the populist parties in Europe have also manifested for more direct democracy (von Beyme 2011). In Norway, individual support for using local referendums is higher among those who vote for the right-wing populist parties (Bjørklund, 2009). The support for these ideologies in the electorate may therefore play a role in how actively citizens use their direct democratic rights. We can thus assume that *the seat share of the Green, leftist and populist parties increases the occurrence of referendum motions*.

Political support

¹⁰ Note that the data used in this study do not include all attempts to collect signatures for a referendum motions, but only those that reached the five per cent threshold.

Moving from party systems to the level of the whole political system, changes in political support can also be closely linked to the occurrence of direct democracy. Voting in elections is a standard indicator of overt support for the political system (Easton 1975). The ‘participatory revolution’ since the 1960s has, however, increased citizens’ interest in issue-based, *ad hoc* political involvement on the expense of long-term commitments to political parties (Kaase 1984). Referendum motions are one example of the several non-traditional forms of participation via which citizens nowadays engage in political decision-making. While democratic ideals still enjoy wide appreciation in Western democracies, there are increasing demands for more direct influence in the decision-making and less trust in politicians (Dalton 2004). Declining levels of voter turnout are one indicator of these ‘dissatisfied democrats’. Therefore, we could assume that *low electoral turnout in elections increases the occurrence of referendum motions*.

Learning

This article argues that the institutions and use of ‘soft’ direct democracy can also be learned, either from the traditions of the local political culture, or spatially from other political units. Where previous examples of referendums or referendum motions do not exist, citizens may be completely unaware of their legal right to initiate local referendums. In Finland, there have been only two consultative referendums at the national level. The agenda initiative introduced by the new Constitution in 2012, however, has been used rather actively (Christensen et al. 2015), and the history of ‘soft’ direct democracy spans over more than 20 years at the level of local government (Sutela 2001).

Research on deliberative processes argues that when the traditions of citizen involvement have been in place longer, citizens are also more self-confident in using these possibilities (Weatherford & McDonnell 2007: 209). Based on previous experience, people know what it entails to collect signatures for a motion, and what happens to the motion in the representative body. Previous experience of referendums also explains variations in the public support for direct democracy in general (Bjørklund 2009: 132). We can therefore assume that *previous experiences of both types of advisory direct democratic instruments increase the occurrence of referendum motions*.

Finally, literature on policy diffusion documents that sub-national political units such as states or municipalities do not initiate their own policies in isolation, but often learn and copy choices made by other jurisdictions (Berry and Berry 1990; Shipan and Volden 2008). Similarly, citizens are likely to read or hear about referendum motions in neighbouring municipalities, which can encourage civil society actors or active individuals to try the same instrument in their community. It can thus be assumed that *the occurrence of referendum motions is increased by neighbour municipalities' experiences of the same instrument.*

3.2 Government-initiated advisory referendums

Socio-structural factors

From the perspective of local politicians, asking the opinion of citizens is a complex decision. Elected representatives are likely to be careful with initiating referendums, unless there are reasonable chances that their proposal will actually win the vote (Damore et al. 2012). In the case of advisory referendums, they are only politically obliged to follow the result of the popular vote. The pressure to follow the result is, however, still much higher when the processes are initiated by politicians themselves, than in referendum motions supported by a group of citizens. Heterogeneity and the size of the population as indicators of unpredictable voter preferences should therefore also affect the use of government-initiated referendums. We assume that *large and urbanized population decrease the occurrence of government-initiated referendums.*

Party system

The partisan characteristics of local government also affect how representatives perceive referendums, as earlier research has found (Damore et al. 2012). In the case of legally binding referendums, large coalitions may solve political gridlocks by passing the decision to the electorate (Hug and Tsebelis 2002), and a similar avoidance strategy is used in consultative referendums on fundamental issues at the national level (Rahat 2009). Legally non-binding referendums at the local level, however, resemble more other forms of participatory governance and consultation, which do not seem to be consequences of extensive electoral competition (Font et al. 2014). The rationale of government-initiated participation may also be legitimation, which means adding public support to decisions that have already been made or at least could be made by the

legislative majority (Goodin and Dryzek 2006; Rahat 2009). When several parties share the decision-making power, there is less room for these kinds of ‘backdoor deals’. Furthermore, it is likely that in multi-party governments or councils there are always groups who would rather keep the referendum issue outside the political agenda for electoral purposes. We could therefore assume that *party system fragmentation decreases the occurrence of government-initiated referendums*, from which follows that the extreme case of one-party dominance increases their occurrence.

Political ideologies and their positions on citizen participation are also likely to affect the use of government-initiated referendums – perhaps even more than in the case of citizen-initiated processes. Representatives of the Green Party have been in favour of referendums in Finland and elsewhere in Europe (Dalton et al. 2001). In the Czech Republic, for example, most of the local referendums have been initiated by the Green party (Smith 2011). Even if Social Democratic parties have not been eager to hold referendums at the national level in the Nordic countries (Butler and Ranney 1994: 77), they can still be expected to be more favourable towards participation and direct democracy at the local level than parties in the political Right (Sintomer et al. 2008). The Finns Party known for its populist agenda has also manifested for direct democracy in its national campaigns, as have done other right-wing populist parties as well (Von Beyme 2011). We can therefore assume that *the seat share of the Green, leftist and populist parties increases the occurrence of government-initiated referendums*.

Political support

The studies on strategic motives discussed earlier start from the assumption that it is usually not in governments’ interests to delegate their authorized power to the citizenry (Morel 2001; Rahat 2009). Therefore, when government-initiated referendums occur, they are often not seen as consequences of any broader commitment to participatory democracy (Laisney 2012; Mendelsohn and Parkin 2001a: 3). Literature on political support and legitimacy, however, argues that all governments are interested in how the public perceives and trusts them (Easton 1975; Tyler 2006), which can be measured by electoral turnout. Representatives may, therefore, turn to direct democratic instruments in order to remedy the misalignment between them and the citizens (Hoppe 2011). This is an especially relevant option when referendums do not bind the hands of politicians, like in the Finnish case. Advisory referendums can be seen as a safety valve for the elected representatives to ease some of the political pressure and discontent (Altman

2011). We can therefore assume that *low turnout in elections increases the occurrence of government-initiated referendums*.

Learning

In the Nordic countries, public discussion often associates direct democracy with marginal protest activity, due to the scarce use of referendums (Bjørklund 2009: 132). Previous experiences of direct democracy may therefore serve as the main mechanism how local politicians learn about direct democracy, making them more favourable to citizens' inputs and referendums (Weatherford and McDonnell 2007). In most cases where referendum becomes an option on the agenda, local politicians may look at the decisions of previous councils. Furthermore, politicians may learn about direct democracy from the citizens, if there have been previous campaigns to collect signatures for referendum motions. Therefore we assume that *previous experiences of both types of legally non-binding direct democratic instruments increase the occurrence of government-initiated referendums*.

Policy diffusion literature distinguishes at least four different types of diffusion mechanisms, such as learning from earlier adopters, economic competition among nearby cities, imitation of larger cities, and coercion by central governments (Shipan and Volden 2008: 840). When decisions on organizing referendums are made on an *ad hoc* basis and there is no strong tradition of direct democracy in place, municipal councils may imitate their neighbours in terms of the issues in which citizens are consulted, as well as for the instruments of consulting. It is thus assumed that *the occurrence of government-initiated referendums is increased by neighbour municipalities' experiences of the same instrument*.

To sum up, as seen in table 1., possible factors explaining the use of local referendum motions and advisory referendums are similar but with partly opposite impacts, emphasizing the different natures of the two instruments.

<Table 1. here>

4. Empirical design

Local government is an especially fruitful area to test the hypotheses on the occurrence of soft direct democracy, because the use of these instruments is vivid in sub-national political units. The effect of policy issues can also be controlled for, because same topics such as administrative reforms and public services are frequently on ballots within one country (Schiller 2011b: 21) – a problem that makes cross-country comparisons of national referendums difficult. Studying direct democracy at the level of local government in Finland has, however, even another advantage over frequently studied Swiss or US regions: We do not have to control for the effect of different institutional frameworks of initiatives and referendums, because all municipalities operate under the same Local Government Act that specifies the hurdles of referendum motions and referendums.

The question of why some municipalities experience referendum motions and referendums while others do not is approached with a case-control design. Case-control studies consist of samples stratified disproportionately on the dependent variable (Lacy 1997). Case-control approach has been widely used in epidemiology, but in the last few decades it has also become more popular in political science as a more cost-effective way of data collection (King and Zeng 2001)¹¹. Although random sampling is often considered as a gold standard in causal explanation, it works poorly for some kinds of phenomena and populations (King et al. 1994: 124). In the case of Finnish local direct democracy, taking a random sample of all municipalities that existed during the time period of 22 years would provide a sample in which only few, if any, municipalities had experienced these processes.

Therefore, those municipalities that have experienced a referendum motion or referendum during the first electoral term were selected to the sample. This was repeated for the other five terms in the time period 1991-2012, producing the ‘cases’ of interest in the analyses. Second, random samples of 26 municipalities that have not experienced a referendum motion or a referendum during the first electoral term were

¹¹ Applications in the social sciences include, for example, support for renewable energy, political instability, awarding of federal contracts, militarized interstate disputes, homicides and gun ownership, and self-harm of prisoners (Baxter et al. 2013; Goldstone et al. 2010; Hogan et al. 2010; King and Zeng 2001; Kleck and Hogan 1999; Marzano et al. 2011).

selected, and the procedure was repeated for each electoral term providing thus the ‘controls’.¹²

A panel data structure of each municipality each year would of course provide more rigorous results on effects. The change, overtime, of local government structures, however, makes this type of research design challenging. Direct democratic instruments have been used in several municipalities that no longer exist today, but there are very few time-series of socioeconomic and demographic data that maintain information from non-existing municipalities (Loikkanen and Susiluoto 2007). Some authors have solved this by excluding merged municipalities (Islam et al. 2006; Kangasharju et al. 2006), which in this study would, however, exclude most of the cases of interest. Therefore, controls are sampled randomly from each electoral term to ensure that merged municipalities are also represented. A case-control design thus provides a feasible alternative for analysing direct democracy that occurs relatively rarely in political units whose boundaries change relatively frequently over time.

Because standard municipality indicators such as size of the population will be included in the analyses on the basis of our hypotheses, it was not necessary to match the case municipalities to specific control municipalities, like in some other case-control studies (for a similar approach, see Kleck and Hogan 1999). Due to missing data in some of the main independent variables, four municipalities with referendum motions and one with a referendum had to be left outside the final dataset used in the regressions, which has altogether 248 municipalities. Of these, 55 have experienced referendum motions, 59 have held referendums (of which 51 were government-initiated), and 142 are controls.

The sample size of approximately 250 is of course not ideal for regression analysis, but by keeping the number of explanatory factors small and choosing them based on theoretical assumptions, we are able to make some modest conclusions on the causal relationships between our factors and the occurrence of soft direct democracy. An alternative approach could also be the application of process-tracing methods, which help us obtain a better account of the historical trajectories of collecting signatures for

¹² In Finland, all municipalities elect their councils on the same day. Out of the local council term 1989-1992, however, only two last years were included in this study, because the law on local referendums and referendum motions came into force in 1991. Therefore, only 12 control municipalities were randomly selected within this term. For the random selection process, all municipalities that existed in the beginning of the electoral term in question and had not experienced direct democracy were listed in alphabetical order, and random samples were drawn from that list using statistical software.

initiatives and holding referendums (Bennett 2010). This would, however, require narrowing down the number of cases even more than in a case-control study.

The data on the two dependent variables, i.e. the occurrence of referendum motions and referendums come from the government statistics¹³ and from an electronic survey sent to all municipalities in January 2013. These data were completed by a systematic media review in regional newspaper archives and in the regional news archives of the Finnish public broadcast company YLE for the period 1991-2012. These variables are coded as dummies, with '0' indicating no referendum motion/referendum and '1' indicating the occurrence of the process. Coding of all variables and descriptive statistics are presented in the Appendix table A2.

The data for socio-structural factors were observed in the first year of each electoral term¹⁴ and were obtained from the Statistical Yearbooks of Statistics Finland. Size of the population is divided by thousand in order to reduce the impact of outliers (Kangasharju et al. 2006; Karlsson 2013; Tabachnick and Fidell 2007). Degree of urbanization is measured as the percentage of municipal residents living in urban settlements. The election data for party system factors and political support were derived from Statistics Finland election statistics.¹⁵ Party system fragmentation is measured by the Laakso-Taagepera index, also known as the effective number of parties (Laakso and Taagepera 1979), and one-party dominance is coded as a dummy variable, with '1' indicating that any of the five major parties has more than 50 per cent of the seats of the local council. Ideological factors are measured as the proportion of seats in the municipal council for the Green party, Social Democratic Party (SDP), Left Alliance and the Finns Party¹⁶. Political support is measured by the percentage of the electorate that voted in the preceding municipal elections.

The data for learning factors i.e. participatory traditions and policy diffusion were coded manually from the previously mentioned sources, and are operationalized as dummy-variables. For traditions, it was observed whether the municipality or some of its parts had experienced referendum motions or referendums during the previous electoral terms. For policy diffusion, it was coded whether the neighbour municipalities had

¹³ Ministry of Justice Finland: Municipal referendums

¹⁴ Except for statistics that are collected every other or every fifth year.

¹⁵ Official Statistics of Finland (OSF): Municipal elections [e-publication]. ISSN=2323-1114. Helsinki: Statistics Finland [referred: 2.1.2015]. Access method: http://tilastokeskus.fi/til/kvaa/meta_en.html

¹⁶ The party used to call itself "True Finns" in international occasions but changed its official English name into "The Finns" in 2011.

experienced referendum motions and referendums during both previous and prevailing electoral terms.

Economic resources of the municipalities are also controlled for using same data sources as for socio-structural factors. Scarce economic resources might increase the use of referendum motions, because widely popular issues are often omitted from the political agenda during times of scarcity. However, earlier research on the effect of tax burden, unemployment and other standard economic indicators has not found strong effects in this direction (Vatter 2000; Gordon 2009). Organizing a local referendum also requires resource allocation, which may affect representatives' attitudes towards government-initiated referendums. Economic resources of the municipalities are operationalized as the percentage of unemployed residents over 15 years old, and the local tax rate, which is higher in poorer municipalities. The next section discusses more in detail the reasons for including the prospect of a municipal merger as a control variable. The discussion on the empirical results begins, however, by showing how direct democracy works in practice in Finnish municipalities.

5. Results

5.1 Finnish local direct democracy in practice

As can be seen in table 2., non-binding referendum motion seems to be a rather weak instrument in practice, as only fourteen per cent of the motions have actually led to a referendum. The column 'in compliance with the motion' includes cases where the local council decided to do what the citizens asked, i.e. organize a local referendum. These are also the only municipalities that have experienced both referendum motion and a referendum. In most cases (86%), the local councils have decided not to consult citizens with a popular vote. It is, however, possible that councils have adopted some issues raised with referendum motions in other ways.

Municipal mergers stand out as the most common issue of referendum motions representing almost 40 per cent of all motions. However, citizens also demand referendums on a variety of issues related to public services. Fifteen per cent of the motions concern traffic arrangements and almost as great a portion deal with education. The fourth common topic area (8%) in referendum motions is municipal identity. Other issues raised with referendum motions include, for example, organization of social and

health services, leisure activities, and waste and energy. The comprehensive list of referendum motion questions and referendum topics is presented in the Appendix table A1.

<Table 2. here>

Table 2. tells us, interestingly, also that referendum motions on municipal mergers seem to face most opposition in the local councils, as only less than fifteen per cent of them leads to a popular vote. From the perspective of citizens, it seems, however, that demanding referendums concerning basic public services – such as schooling and social and health services – is even harder, because none of them were held despite their frequency as topics of referendum motions. On the other hand, questions related to urban planning and land use have more easily led to popular votes, although the absolute numbers are very small.

In table 3. it can be seen that when local referendums have been held – initiated mostly by the local councils and in 8 cases by the citizens –, councils have followed the result of the popular vote in approximately 80 per cent of the cases. Although this study does not seek explanations for policy impacts of soft direct democracy, factors such as ballot paper structure, strength of the majority opinion, voter turnout and political composition of the council could explain why councils sometimes follow the results and sometimes not. In any case, referendums initiated by local governments themselves have a slightly higher overall compliance rate than the referendums initiated by citizens.

In terms of topics, majority of referendums (92%) have concerned municipal mergers. Other issues include traffic, building an incinerator, and municipal identity. Some interesting observations can be made based on the classification by topics. First, all referendums that deal with substantial policies or identity questions have in fact been brought to the political agenda by the citizens, whereas that local governments have only initiated referendums on municipal mergers. Second, the compliance rate of municipal merger referendums is clearly higher when consulting the public has been the representatives' idea, compared to merger referendums initiated by citizens.

<Table 3. here>

The two previous tables show that the use of direct democratic instruments in Finland is clearly intertwined with structural reforms that reduced the number of municipalities from 446 to 320¹⁷ during the period this article focuses on. The importance of mergers can be understood considering the tradition of strong local self-government in Finland. Questions of self-determination are also very typical in national referendums, and European integration as one type of structural reform has been found to increase their use (Setälä 1999). It would be, however, too hasty to assume that municipal mergers explain all of the variation in the use of referendums between municipalities. Since 1990, approximately 190 municipalities have participated in successful merger negotiations or have been involved in discontinued negotiations.¹⁸ Some municipalities have even merged into larger jurisdictions several times. Out of these roughly 190 municipalities, however, only 55 held a merger referendum, justifying the study of socio-structural, party system, political support and learning factors affecting the use of direct democracy.¹⁹

The issue of municipal mergers must still be controlled in the following statistical analyses. As there is more variety in the topics of municipal referendum motions, the prospect of a municipal merger is simply included as a control variable in the regression models. For municipal referendums, same models are fitted for two different datasets of which the first one consists of all case and control municipalities, allowing us to find factors that explain favourable attitudes of local governments towards referendums in general. As the second step, the dataset is narrowed down to those municipalities that have actually merged with other municipalities at some point during or in the end of the time period of this study. This way one can distinguish the factors affecting the use of government-initiated referendums in particular.

¹⁷ The Åland Islands – an autonomous, demilitarized region of Finland – is divided into 16 municipalities. Due to the structure of official statistics these municipalities are not included in this study.

¹⁸ Finnish Association of Local and Regional Authorities: Document "The number of municipalities and cities 1900-2013", <http://www.kunnat.net/fi/tietopankit/tilastot/aluejaot/kuntien-lukumaara/Sivut/default.aspx>, accessed on the 20th of May, 2013.

¹⁹ Major structural reforms may have two kinds of consequences for local direct democracy: Because the issue of merger is usually salient only once per municipality, the topics of referendums may be expected to change in the future (c.f. Schiller 2011a). The other scenario is that once a major wave of municipal mergers have taken place, the use of local referendums drops dramatically.

5.2 Explaining the use of referendum motions and advisory referendums

The factors explaining the occurrence of soft direct democracy were first explored with bivariate analyses. The first column in table 4. presents variable means for controls (municipalities with no referendum motions) and cases (municipalities having experienced referendum motions). Results of independent samples T-tests for continuous variables and Chi square -tests for dummy variables presented in table 4. show that some of the relationships point to the hypothesized directions. Municipalities that have experienced non-binding referendum motions have larger and more diverse populations compared to those with no referendum motions. The party system is also more fragmented, and the support for the Green party higher in municipalities with referendum motions than those without, but the other party system factors do not show strong correlations. Municipalities with referendum motions also have lower political support, at least based on turnout, and previous experiences as well as neighbours' examples of referendum motions.

<Table 4. here>

When we look at advisory municipal referendums, table 4. again indicates that referendum motion is not a significant predictor of referendums. The underlying contingency table shows that municipalities with referendums have in fact had less referendum motions than municipalities with no referendums. As hypothesized, municipalities with referendums have smaller populations, although the degree of urbanization is higher, unlike expected. Local councils in municipalities that have held referendums have more representatives from the Social Democratic Party, but the same cannot be said for the other leftist party or the Green party. Seat share of the populist party is significant, but interestingly, the relationship is negative, meaning that there are fewer populist councillors in the municipalities that have held referendums compared to those that have not. Local representatives also seem to learn the use of referendums from their neighbours, and finally, referendum municipalities have a potential municipal merger looming in the future more often municipalities with no referendums.

The next step is to investigate how much each of these variables contributes to explaining the use of non-binding referendum motions and advisory referendums. This

was done with logistic regression²⁰, which is a widely used and recommended method in case-control designs (c.f. Goldstone et al. 2010; Hogan et al. 2010; Kleck and Hogan 1999; Lacy 1997; Marzano et al. 2011).²¹ Multicollinearity does not pose a problem in the data, as none of the independent variables has a variation inflation factor higher than five.²² Since neither of the control variables for economic resources is significant in table 4., they are excluded from the regressions.

Table 5. presents the results from four models, regressing the occurrence of referendum motions on socio-structural, party system, political support and learning factors, controlling also for the prospect of a municipal merger. When only socio-structural factors are included, size of the population increases the use of referendum motions, as it was assumed. Our expectations on the effect of party system are not, however, met. Neither of the two indicators concerning power-sharing in the local council are significant, even though the number of parties showed a positive bivariate correlation with referendum motions. Support for the Green party does not explain the occurrence of referendum motions, either, when other factors are controlled for. Political support, on the other hand, is a relatively strong predictor of referendum motions, because one percentage point increase in electoral turnout decreases the odds for a referendum motion by almost seven per cent. Previous experiences of referendum motions and neighbours' examples of them turn out to be strong predictors of referendum motions, supporting thus our hypotheses on learning.

<Table 5. here>

Hypotheses concerning the occurrence of advisory referendums are tested with two different datasets. The first contains all cases and controls, and does not differentiate citizen-initiated referendums from government-initiated popular votes. The results of these analyses are presented in the Appendix table A3, and contain a few interesting

²⁰ Analyses were performed using IBM SPSS Statistics version 21.0.

²¹ Although concerns have been raised about biased estimates in case-control regressions, our results should not at least exaggerate the causal relationships, since the common tendency is to underestimate the probability of Y=1, i.e. the rare event in question (King and Zeng 2001: 703).

²² Logistic regression function in SPSS does not allow adding variation inflation factor (VIF) scores or tolerance statistics in the results. However, because collinearity statistics only take into account the relationships between independent variables, the SPSS linear regression serves for this purpose even if the outcome variable is binary.

findings. First, when all factors are considered, smaller population increases the use of referendums, as it was expected. The effect of the degree of urbanization is, however, the opposite. Contrary to our hypotheses, neither party system factors nor political support appear as significant predictors of local referendums. Most of the variation between municipalities in terms of their use of local referendums is explained by policy diffusion, i.e. neighbour municipalities holding referendums, and the prospect of a municipal merger.

By zooming into the subset of ‘merger municipalities’ we can get a better image of why elected representatives decide to consult the citizens with a legally non-binding referendum. The subset consists of only those municipalities where the issue of municipal merger has been salient.²³ The first finding in table 6. confirms again the weakness of the Finnish referendum motions. The occurrence of referendum motions actually decreases the odds of a municipal referendum. It is still, however, possible that referendum motions have an indirect impact on local politics, if the representatives take up the issue on the council’s agenda instead of holding a referendum. These kinds of impacts have been identified with other democratic innovations, such as deliberative mini-publics (Goodin and Dryzek, 2006).

<Table 6. here>

Our assumptions on the socio-structural factors are partly confirmed, as local councils are more likely to hold referendums in small municipalities in terms of the number of inhabitants. Degree of urbanization is a significant predictor but it seems to decrease the use of government-initiated referendums. This may be because the degree of urbanization does not capture the heterogeneity of citizens’ views and opinions very well, after all. Densely populated, urban commuter-municipalities, for example, may be very homogeneous in terms of their population. Heterogeneity might be greater in jurisdictions with relatively similar portions of residents in urban and rural areas (Lupia and Matsusaka 2004).

²³ This dataset consists of all municipalities – cases and controls – that have merged with other municipalities at the end of 2012 or at some point during the time period at hand.

In terms of party system factors, our hypotheses concerning power-sharing point to the assumed direction, because the small number of parties increases the occurrence of government-initiated referendums. The effect is not, however statistically significant. The more Social Democrats there are in the local council, the more likely it is that the representatives decide to hold a referendum. For other political parties, their seat share does not have a significant effect, but interestingly having more councillors from the populist Finns party seems to have a negative impact. Although this party has publicly manifested for increasing the influence of ‘lay people’ in decision making, and demanded more direct democracy, these claims clearly do not transform into actions at least at the local level.

Our hypothesis on the effect of political support is not supported by the data, either. It can be concluded that local governments do not initiate referendums in order to remedy the misalignment between citizens and local politicians, at least as indicated by low electoral turnouts. The coefficient suggests that if any significant relationship was found, it would more likely be positive. Finally, ideas on the techniques to consult citizens spread also across municipalities. We find strong evidence that local councils are more likely to initiate referendums if their neighbour municipalities have consulted the citizens in the same way. Since it is not compulsory to hold a referendum as part of a merger negotiation process, local councils have the freedom to consult their residents’ views on merging into a larger political unit in many different ways, including surveys or public hearings. It can thus be concluded that municipalities also adopt ideas of direct democracy from their neighbours, in similar ways to the diffusion of substantial policies between local political units (Berry and Berry 1990; Shipan and Volden 2008).

The availability of two instruments of soft direct democracy allows us to compare the explanatory factors. Based on the model fit statistics in tables 5. and 6., system-level factors are able to better explain the use of government-initiated referendums than processes started by the citizens themselves. The model with party system factors explains more than one fifth of the variation in the occurrence of referendums. Political support, on the other hand, is a more important explanatory factor for referendum motions, as the improved model fit in table 5. suggests. Finally, learning plays an important role for the occurrence of both referendum motions and government-initiated referendums, but for referendum motions it is the previous experience of these motions

that matters, whereas for government-initiated referendums the example of neighbours is more important.

6. Concluding remarks

This article has studied the factors that explain the occurrence of ‘soft’ direct democracy. Typical examples of this kind of ‘soft’ direct democracy are advisory referendums that resemble opinion polls, and referendum motions that do not force the representatives to hold a referendum, only to consider it. It is important to understand their causes also because general and academic interest in other consultative participatory innovations, such as citizen juries, user panels and discussion forums, is growing (Fung 2015; Smith 2009). The article also compared two different instruments – referendum motions and advisory referendums initiated by local governments – providing insights into the differences and similarities in their dynamics. There are several institutions of ‘soft’ direct democracy at the regional, national and transnational level, such as indirect initiatives in the US states, legally non-binding referendums on European integration and the European Citizens’ Initiative. Further research on ‘soft’ direct democracy could perhaps benefit from testing the hypotheses developed in this article in institutions that are analogous by design, although at higher levels of government.

Although the results may not be completely surprising, this article has shown that party system factors play a more important role in determining which municipalities will hold referendums than in predicting the occurrence of citizen-initiated referendum motions. The findings are thus in line with the previous findings of, for example, Damore et al. (2012), showing that government-initiated referendums and citizen-initiated processes have different causes. First, the findings depict non-binding referendum motions as tools of contestation. These motions are more likely to be seen in contexts where citizens feel disconnected from their elected representatives (low turnout), and are aware of this participatory institution as an option into which they can channel their discontent (history of referendum motions). Discontent may be evoked by political decisions that are made behind closed doors or with very tight timelines. Citizens’ demands for a referendum may also arise because of policies and decisions made at higher levels of government. Local direct democracy is sometimes the only way for

citizens to influence decisions that are made at the national level, but have visible impacts on a specific geographical area.²⁴

Second, the article has showed that advisory government-initiated referendums in local politics are not only strategic tools to achieve political goals and electoral outcomes as much of the previous literature has argued (c.f. Altman 2010; Bjørklund 1982; Lijphart 1984; Rahat 2009; Vatter 2000), but also consequences of system-level factors. The very fact that these instruments are non-binding by law makes strategic motives less important in explaining ‘soft’ direct democracy. Advisory government-initiated referendums are more likely in small municipalities (population) where local politicians know their constituents’ views better and are perhaps therefore more willing to take the risk of consulting citizens. A larger proportion of Social Democrats in the local council also fuels the use of referendums, indicating that the stand of political ideologies on citizen participation may also matter. Above all these, the examples of neighbours encourage politicians to consult their own constituents. Learning effect is also intertwined with salient policy issues: Municipalities facing same problems, such as municipal merger, tend to design the decision-making process and citizen consultations similarly. This reinforces our understanding of local referendums as more context-related tools of government as opposed to referendum motions as problem or issue-based tools that aim to articulate public opinion into the democratic process.

The factors affecting the policy impacts of soft direct democracy are the second major question mark in the research on soft direct democracy. Weak policy impact is built in the design of these institutions, and they should not therefore always shape policies. The way they are used and handled by representative bodies does, however, have consequences for the legitimacy of democratic decisions. Although this article did not specifically study policy impacts, some viewpoints can be raised. First, although earlier literature has stated that consultative referendums at the national level are often *de facto* binding, based on the Finnish case the pressure to follow the popular opinion seems to be lower at the local level. Second, the fact that government-initiated referendums have better compliance rates than citizen-initiated referendums suggests that they are used for legitimation purposes in situations when local councils anticipate that their proposal

²⁴ The process of building a nuclear power plant in the Finnish *Pyhäjoki* municipality has, for example, resulted in civic activism for almost a decade. Between 2007 and 2014, due to the lack of public consultations in the early stages of the process, a referendum was demanded twice by eligible voters (referendum motion), twice by one representative in the local council, and once by a group of representatives.

will pass. Furthermore, because obligation to comply with the popular vote seems to be stronger in government-initiated referendums than their grass-root counterparts, referendum motions may have more direct policy impact if they touch upon an issue that is likely to appear on the political agenda in the near future anyhow. Novel viewpoints and proposals by the citizens may shape the political agenda but they have smaller chances to be on the popular vote, and even if they do, they are less likely to be directly turned into policies.

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Tables

Table 1. Main explanatory factors and their expected effects

Factor	Referendum motions	Government-initiated referendums
<i>Socio-structural</i>		
Population size	+	-
Degree of urbanization	+	-
<i>Party system</i>		
Effective number of parties	+	-
One-party dominance	-	+
Share of green/leftist/populist parties	+	+
<i>Political support</i>		
Turnout in elections	-	-
<i>Learning</i>		
Participatory traditions	+	+
Policy diffusion	+	+

Table 2. Local referendum motions by topic and compliance with the motion (1991-2012)

Topic	Total	In compliance with the motion, N	In compliance with the motion, %	Not in compliance with the motion, N	Not in compliance with the motion, %
Municipal merger	23	3	13%	20	87%
Traffic	9	2	22%	7	78%
Education	8	0	0%	8	100%
Municipal identity	5	2	40%	3	60%
Social and health services	3	0	0%	3	100%
Leisure activities	3	0	0%	3	100%
Waste and energy	3	1	33%	2	67%
Other	5	0	0%	5	100%
Total	59	8	14%	51	86%

Source: Own data

Table 3. Local referendums by initiator, topic and compliance with the vote (1991-2012)

Topic	Total	Initiated by citizens		Initiated by local governments		
		N	In compliance, %	N	In compliance, %	Not in compliance, %

Municipal merger	55	3	67%	33%	52	81%	19%
Traffic	2	2	100%	0%	0	na	na
Waste and energy	1	1	0%	100%	0	na	na
Municipal identity	2	2	100%	0%	0	na	na
Total	60	8	75%	25%	52	81%	19%

Source: Ministry of Justice Finland and own data

Table 4. Bivariate analyses

Variable	Referendum motions			Referendums		
	Mean	t-statistic	Pearson Chi-Sq.	Mean	t-statistic	Pearson Chi-Sq.
	Contr ols [#]	Cases		Contr ols	Cases	
Referendum motion			na			3.332*
Population	11.55	27.69	-2.292*	17.33	8.1	3.532***
Degr. of urbanization	58.17	67.45	-2.701**	60.04	60.85	-0.238
Party system fragmentation	3.14	3.54	-2.675**	3.24	3.20	0.312
One-party hegemony			1.711			0.594
Left Alliance	8.32	9.36	-0.792	8.88	7.49	1.098
Social Democratic party	21.28	24.15	-1.579	20.81	25.45	-2.640**
Green party	2.12	3.47	-2.000*	2.44	2.38	0.096
Finns Party	1.89	2.01	-0.180	2.13	1.23	1.782 ⁺
Turnout	66.77	62.77	4.282***	65.70	66.40	-0.661
Experience of referendum motions			13.365**			2.581
Experience of referendums			0.663			0.469
Ref. motions in neighbour muns			4.509*			1.131
Referendums in neighbour muns			0.003			25.596**
Unemployment	13.76	12.52	1.494	13.60	13.14	0.553
Municipal tax rate	18.38	18.61	-1.590	18.45	18.37	0.596
Prospect of a municipal merger			1.295			18.096**

p<0.000***, p<0.01**, p<0.05*, p<0.1⁺

[#] Controls = municipalities where no referendum motions/referendums occurred, cases = municipalities where referendum motions/referendums have occurred

Table 5. Determinants of the use of referendum motions, binary logistic regression (N=248)

Variables	Model 1		Model 2		Model 3		Model 4	
	B	S.E.	B	S.E.	B	S.E.	B	S.E.
<i>Socio-structural</i>								
Population	0.011 ⁺	0.006	0.009	0.007	0.007	0.007	0.002	0.008
Degr. of urbanization	0.011	0.008	0.009	0.01	0.001	0.011	-0.001	0.011
<i>Party system</i>								
Party system fragmentation			0.276	0.326	0.174	0.335	0.151	0.34
One-party hegemony			0.578	0.627	0.263	0.647	0.402	0.665
Left Alliance			0.001	0.021	0.007	0.022	0.014	0.024
Social Democratic party			0.019	0.019	0.017	0.02	0.03	0.021
Green party			-0.012	0.056	-0.022	0.058	-0.005	0.06
Finns Party			0.008	0.04	0.021	0.041	0.019	0.043
<i>Political support</i>								
Turnout					-0.068*	0.028	-0.068*	0.03
<i>Learning</i>								
Experience of referendum motions							2.126*	0.949
Experience of referendums							-1.625	1.379
Ref. motions in neighbour muns							0.687 ⁺	0.385
Referendums in neighbour muns							-0.181	0.368
Prospect of a municipal merger	-0.387	0.321	-0.452	0.342	-0.431	0.351	-0.459	0.367
Constant	-1.94***	0.512	-3.31*	1.333	2.03	2.563	1.75	2.703
Nagelkerke	0.079		0.092		0.127		0.183	
-2 Log likelihood	249.299		247.079		241.053		230.935	

p<0.000***, p<0.01**, p<0.05*, p<0.1⁺

Table 6. Determinants of the use of government-initiated referendums in 'merger municipalities', binary logistic regression (N=125)

	Model 1		Model 2		Model 3		Model 4	
	B	S.E.	B	S.E.	B	S.E.	B	S.E.
Referendum motion	-1.258*	0.614	-1.62*	0.657	-1.603*	0.659	-1.315 ⁺	0.729
<i>Socio-structural</i>								
Population	-0.056*	0.025	-0.063*	0.029	-0.063*	0.029	-0.072*	0.032
Degr. of urbanization	0.022*	0.01	0.023 ⁺	0.013	0.024 ⁺	0.013	0.029*	0.015
<i>Party system</i>								
Party system fragmentation			-0.143	0.477	-0.129	0.479	-0.157	0.517
One-party hegemony			0.904	0.818	0.936	0.824	1.018	0.902
Left Alliance			-0.008	0.029	-0.01	0.03	-0.007	0.035
Social Democratic			0.045*	0.023	0.046*	0.023	0.042	0.026

party								
Green party			0.085	0.073	0.088	0.074	0.087	0.078
Finns Party			-0.05	0.082	-0.054	0.083	-0.075	0.095
<i>Political support</i>								
Turnout					0.012	0.036	0.031	0.04
<i>Learning</i>								
Experience of referendum motions							-18.618	14306.955
Experience of referendums							-0.197	0.958
Ref. motions in neighbour muns							-0.745	0.598
Referendums in neighbour muns							1.828*	0.489
							**	
Constant	-1.168*	0.566	-2.102	1.757	-3.033	3.348	-5.12	3.735
Nagelkerke	0.153		0.228		0.229		0.381	
-2 Log likelihood	147.452		139.54		139.433		121.675	

p<0.000***, p<0.01**, p<0.05*, p<0.1⁺

Appendix

Table A1. Topics of referendum motions and referendums

Category	Specific questions*
<i>Municipal merger</i>	Merging with municipality X Merging in general vs. remaining independent Several different municipal structures as options
<i>Traffic</i>	Construction of a road Construction of an underground car park Construction of a bridge
<i>Social and health services</i>	Placing of a retirement home Entering a health cooperation treaty Abolishing a public health service enterprise
<i>Education</i>	Preserving the existing school network Closing down local school X
<i>Leisure activities</i>	Building an indoor swimming pool
<i>Waste and energy</i>	Placing of a nuclear power plant Building an incinerator Building a water purification plant
<i>Municipal identity</i>	Changing province / region Changing the coat of arms Changing the name of the municipality Changing the municipality form into a city
<i>Other</i>	Marketization of a municipal energy company Confidence in the city manager Building a new housing area Cooperation treaty in public service production Selling property of the municipality

*Questions that have occurred in motions or popular votes in several cases have only been listed once

Table A2. Variable coding and descriptive statistics

	N	Min	Max	Mean	Std. Dev.
Referendum motion (0=no, 1=yes)	248	0	1	0.222	0.4163
Referendum (0=no, 1=yes)	248	0	1	0.238	0.4267
Population divided by 1000	248	0.57	209.55	15.1325	29.7757
Degree of urbanization	248	10	100	60.2298	22.7636
Party system fragmentation (Laakso-Taagepera)	248	1	5.77	3.231	0.9786
One-party hegemony (0=no, 1=yes)	248	0	1	0.3468	0.47691
Share of seats, the Left Alliance	248	0	40.7	8.5524	8.5217
Share of seats, the Social Democratic party	248	0	48.8	21.9169	11.927
Share of seats, the Green party	248	0	16.9	2.4238	3.9005
Share of seats, the Finns Party	248	0	25.9	1.9177	4.1677
Turnout in the last municipal elections, %	248	47.7	82.3	65.859	7.1712
Previous experience of referendum motions (0=no, 1=yes)	248	0	1	0.032	0.177
Previous experience of referendums (0=no, 1=yes)	248	0	1	0.0363	0.1873
Referendum motions in neighbour municipalities (0=no, 1=yes)	248	0	1	0.2379	0.4266
Referendums in neighbour municipalities (0=no, 1=yes)	248	0	1	0.3669	0.4829
Municipal tax rate	248	15	21	18.4323	0.9312
Prospect of a municipal merger by the end of 2012	248	0	1	0.5	0.501

Table A3. Determinants of the use of local referendums in general, binary logistic regression (N=248)

	Model 1		Model 2		Model 3		Model 4	
	B	S.E.	B	S.E.	B	S.E.	B	S.E.
Referendum motion	-0.65	0.444	-0.786 ⁺	0.46	-0.761	0.464	-0.515	0.49
<i>Socio-structural</i>								
Population	-0.046**	0.02	-0.068**	0.025	-0.068**	0.025	-	0.027
Degr. of urbanization	0.017*	0.009	0.016	0.01	0.017	0.011	0.023 ⁺	0.012
<i>Party system</i>								
Party system fragmentation			0.286	0.351	0.309	0.354	0.376	0.384
One-party hegemony			0.521	0.612	0.577	0.626	0.632	0.667
Left Alliance			-0.028	0.023	-0.03	0.023	-0.029	0.025
Social Democratic party			0.029	0.018	0.029	0.018	0.025	0.02
Green party			0.067	0.056	0.069	0.056	0.076	0.059
Finns Party			-0.028	0.051	-0.031	0.051	-0.032	0.056
<i>Political support</i>								
Turnout					0.012	0.028	0.037	0.031
<i>Learning</i>								
Experience of referendum motions							-	10711.41
Experience of referendums							-0.156	0.914
Ref. motions in neighbour muns							-0.75	0.465
Referendums in neighbour muns							1.729*	0.385
Prospect of a municipal merger	1.354***	0.341	1.219*	0.367	1.212**	0.367	1.015*	0.391
Constant	-2.383***	0.51	-	1.38	-4.631	2.65	-	2.965
Nagelkerke	0.181		0.227		0.228		0.348	
-2 Log likelihood	240.23		231.538		231.342		206.617	

p<0.000***, p<0.01**, p<0.05*, p<0.1⁺