Still standing for elections? Political externalities and the determinants of party entry decisions

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Abstract

According to the Duvergerian theories, only political parties expecting to achieve representation are predicted to stand for elections alone in the long run. However, the empirical evidence shows that, throughout the world, parties continue presenting candidacies when they are non-viable, thus calling into question Duverger's theoretical expectations. This paper investigates this apparent paradox through in-depth interviews with political leaders in Canada and Spain, and illustrates that parties presenting candidacies when non-viable obtain positive political externalities to compete. Analogously, political parties not presenting candidacies when non-viable will suffer negative political externalities for not doing so. Overall, the overlap of electoral arenas turns the decision to present candidacies when non-viable into the dominant strategy, whereas coalescing or withdrawing become the least favoured alternatives.

Keywords: entry decisions, contamination effects, overlap of arenas, externalities.

Introduction

The Duvergerian (Duverger 1954) theories have largely been the framework though which to study the political consequences of electoral laws. Given short-term instrumentality and public information on the actual chances of parties competing, no more than M+1 parties -M being district magnitude- would be expected to stand for elections (Cox 1999). Parties failing to anticipate these mechanical effects would be penalised by voters, who will concentrate their votes on at most M+1 parties, the so-called 'viable' parties. Although the number of entrants and the dispersion of votes may be temporarily heightened, in the end only viable formations would be expected to compete, whereas non-viable parties would coalesce with another party or withdraw from competition. Ultimately, the decision to present candidacies or not should only depend on the actual chances of gaining a seat in a given district.

However, empirical evidence across the globe shows that parties systematically present candidacies in districts or arenas where they do not have chances of obtaining representation, thus calling into question the Duvergerian theories. In Canada the New Democratic party (NDP) has historically been failing to become a viable party in most of the constituencies for the federal elections, yet it has systematically been presenting candidates in (almost) all constituencies; the same has occurred in the case of the Action démocratique du Québec (ADQ) or Québec Solidaire (QS) in the Quebec general elections; in the case of the Liberals in the Manitoba provincial elections; or the NDP in the elections in Newfoundland and Labrador, New Brunswick, Ontario or Alberta. This is not though exclusively a Canadian phenomenon. In the UK for instance, the Liberal Democratic Party presents candidacies in all the uninominal districts of the country even though they fail to achieve representation in most of the constituencies. The same occurs for Izquierda Unida in Spain, Die Linke or the FDP in Germany; the Green Party in France; the Social Democratic Party in Japan; or the Concertación Nacional in El Salvador.

This paper aims at providing an answer to the evident but still unanswered question, "How and why we might expect higher numbers of parties [to what Duvergerian logic predicts] to contest elections" (Best 2010)? Through in-depth interviews with party elites in Canada and Spain, I address the organisational reasons that drive political parties' decisions to enter into competition alone, or not, when non-viable. This is, to my knowledge, the first time that this question has been theoretically addressed and systematically tested in a cross-party and cross-country study.

The rest of the article proceeds as follows. The second section presents the argument explaining the determinants of party-entry strategies. Section three delves into the political externalities derived from each of the party entry decisions. The fourth section describes the data and the methods for the empirical qualitative analysis, whose results are presented in section five. The last section concludes.

The determinants of party-entry strategies

The decision to enter into competition depends, under rational-choice assumptions, on the *benefits* and the *costs* of competing. When the expected benefits of competing alone are higher than its costs, parties will decide to stand for election on its own. Conversely, when the costs of competing alone are higher than the rewards, parties will look for alternatives that best fit the context, namely to stay out of the race or to join a coalition with another party.

The *benefits of competing* (from now onwards *B*) are associated with the fact of becoming viable. A political party will decide to enter into competition when it expects to achieve representation.[1] In SMD plurality and run-off systems, there are, at most, two parties expecting to achieve representation in each district: the party that eventually obtains the representative and the first loser party. In PR electoral systems, this includes all the parties that eventually end up obtaining representation, plus the first runner-up party.[2] Moreover, both political parties that run for elections alone and parties that decide to join a coalition, will incur some *direct costs of competing* (*D*). The most common cost of competing is the requirement to pay a deposit or to gather a certain amount of signatures from eligible voters to present candidacies. Also, parties may incur costs related to the financial resources required to launch and to promote the party candidature.

Along with the direct costs of competing, the decision to present candidacies through a pre-electoral agreement will also entail some specific *costs of coalition* (*C*). Coalitions enable parties to gain more votes -the likelihood of winning a seat increases (Golder 2006)- although coordination may also imply several costs. The costs of joining a pre-electoral coalition are determined mainly by the ideological distance between parties (Debus 2009) and by the power of the local structure, which may constrain party leaders' coalition bargaining capacity (Müller and Strøm 1999; Meguid 2008).

Then, in a context of perfect information and short-term instrumentality, a political party will be able to attach a probabilistic value (*p*) to its chances of becoming viable. When the party is expected to achieve representation, the expected benefits (*pB*) will be higher than the direct costs of competing (*D*). Conversely, when the party does not expect to achieve representation, the costs of competing will be higher than the expected benefits. Eventually, whether or not parties enter competition alone, join a coalition or stay out of competition altogether, will depend on the expected benefits and

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[1] Parties expecting to achieve representation are not only those which are sure that they will obtain representation, but also parties for which uncertainty in the electoral results allows them to think that they can gain a seat. The two casuistries are indistinctly denominated throughout the paper as 'parties expecting to achieve representation' or 'viable parties'.

[2] The first loser in multinomial districts is not necessarily a party that does not manage to get a seat but rather the party that, in case of increasing by one the number of seats elected in the district, would obtain the representative.

the costs that each of these alternatives brings, and more particularly, on the utility that parties will obtain from each strategic decision. Under the Duvergerian assumptions, parties will decide to enter into competition alone when the utility function (U_{Duv}) of the expected benefits of competing alone (p_aB) minus the direct costs of competing alone (D) is maximised:

$$U_{Duv} = p_aB - D \qquad \qquad Equation \ (1)$$

Instead, when parties decide to join a coalition, the expected benefits of competing (p_cB) increase -as the coalition is more likely to become viable- while the direct costs of competing (D) remain stable. At the same time though, there will appear new costs associated with the decision of coalescing (C). Overall, if the marginal benefit obtained by joining this coalition is higher than the costs (D and C) associated with coalescing, the party will join a coalition.

$$U_{Duv} = p_cB - (D + C) \qquad \qquad Equation \ (2)$$

Finally, if the expected benefits of running for elections are lower than the costs derived from the decision to compete (either alone or within a coalition), the party will decide to stay out of competition. This decision does not bring about any benefit or any cost under the Duvergerian assumptions:

$$U_{Duv} = 0 \qquad \qquad Equation \ (3)$$

According to these principles, the decision to compete alone or not is just a function of the probabilities attached to obtaining representation. If the party is expected to achieve representation, it will decide to run for elections alone, whereas when the party is not expected to become viable, it will either chose to coalesce or to stay out of competition – depending on which of the two utility functions is maximised. Under these circumstances, any deviation in the M+1 rule would be expected to be only randomly explained. However, even when rational-choice assumptions are met, empirical evidence shows that most political parties systematically enter into competition alone when non-viable, thus calling into question the Duvergerian theories. How can this unexpected behaviour be explained?

The argument developed here departs from questioning the widely accepted but reductionist assumption of perfect independence of electoral arenas that the Duvergerian theories have purported. Indeed, parties' strategic decisions on whether or not to enter

into competition alone go above and beyond the scope of each arena of competition to a multi-local logic (Lago and Montero 2009), so that the assumption of independence between arenas does not hold (Gaines 1999). The overlap of electoral arenas distorts the Duvergerian theories so that political parties will decide to present candidacies both in those arenas where they are viable and in those where they are not. In fact, parties will take advantage of being viable in a certain arena to present candidacies in other arenas where they are non-viable. This phenomenon has been labelled in the literature as *electoral contamination* or *contamination effects* (Shugart and Carey 1992; Ferrara, Herron, and Nishikawa 2005; Gschwend 2008).

What are the incentives for political parties to present candidacies even if they are non-viable? In this paper, I argue that the overlap of arenas generates two fundamental organisational opportunities that encourage parties to modify their expected strategic entry decisions.[3] Firstly, this overlap has an impact on the *direct costs of competing*, especially when elections are concurrent. The costs of competing (D) are a function of the number of districts (d) where the party presents candidacies ($D(d)$). The marginal cost of competing in an additional constituency becomes smaller not only when parties decide to run for elections alone but also when they decide to join a coalition. In sum, the overlap of electoral arenas generates economies of scale for political parties (Lago and Martínez 2007; Brancati 2008), making both the decision to enter into competition when non-viable and the decision to join a coalition, more attractive strategies than what the Duvergerian theories predict.

However, the mere presence of decreasing marginal costs of competing is not enough to explain a party's entrance when non-viable. Another factor is required to explain the decision to enter when non-viable, and this is the appearance of *political externalities to compete*. In a similar manner to how 'citizen's duty' is useful in explaining why, in non-pivotal contexts, people decide to cast their ballot (Blais 2000; Campbell 2006), the overlap of different electoral arenas generates *political externalities* that modify parties' entry decisions in contexts of non-viability. These externalities will not be internalised by each party at the local arena, but rather they will benefit another political actor, namely, the party in another arena of competition where it is viable.

There are two types of political externalities that emerge due to the overlap of electoral arenas. Firstly, when political parties are viable in certain arenas but not in others -this is, they are 'asymmetrically viable'- the decision to compete in those arenas where the party is non-viable generates *positive political externalities* (henceforth, E_p). These externalities will not be internalised by the local party, but rather by the homonym party in another arena of competition where it is viable. Secondly, the

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[3] In this research, I will exclusively focus on the organisational incentives for parties to compete alone, although there are also institutional incentives that encourage parties to compete when non-viable. For an in-depth revision of the literature and an empirical analysis of these factors, see Guinjoan (2014).

Duvergerian decision to withdraw from competition or to join a coalition when non-viable yields some *negative political externalities (E_n)*. Again, these negative externalities will be internalised by the homonym party competing in another arena.

Overall, the overlap of electoral arenas generates different opportunities for political parties. Parties which decide to compete alone instead of joining a coalition or withdrawing from competition will obtain both decreasing costs of competing (D(d)) and positive externalities to compete (E_p), thus making the decision to enter alone more attractive than what Duverger predicts. The following equation shows how the utility function of parties presenting candidacies alone in a Duvergerian equilibrium (U_{Duv}) changes when considering that arenas are overlapped ($U_{\overline{Duv}}$).[4]

$$U_{Duv} = p_a B - D \xrightarrow{overlap} U_{\overline{Duv}} = p_a B + \boldsymbol{E_p} - \boldsymbol{D(d)} \qquad \textit{Equation (4)}$$

Besides, the Duvergerian-based decision to coalesce with another party when non-viable generates not only decreasing costs of competing (*D(d)*), but also negative political externalities (E_n), which are not internalised by the non-viable party at the local level but rather by its homonym party in another arena where it is viable. This makes the decision to enter competition in a coalition less attractive than what the Duvergerian theories presume.

$$U_{Duv} = p_c B - (D + C) \xrightarrow{overlap} U_{\overline{Duv}} = p_c B - (\boldsymbol{E_n} + \boldsymbol{D(d)} + C) \qquad \textit{Equation (5)}$$

Finally, when non-viable political parties decide to stay out of competition, *negative political externalities (E_n)* also emerge, making the decision to withdraw more costly than originally expected.

$$U_{Duv} = 0 \xrightarrow{overlap} U_{\overline{Duv}} = -\boldsymbol{E_n} \qquad \textit{Equation (6)}$$

Contamination effects and political externalities

The overlap of arenas generates a new context where the decision to compete alone when non-viable becomes more attractive for parties, as opposed to what the Duvergerian theories predict, due to the existence of positive political externalities (and

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[4] In the equations that follow, characters in bold show the change between the utility function in a Duvergerian context (U_{Duv}) and the one with overlapped arenas ($U_{\overline{Duv}}$), where the Duvergerian gravity is called into question.

decreasing direct costs of competing). Besides, the decision to withdraw from competition and to join a coalition become less beneficial alternatives to what Duverger expected because of the emergence of negative political externalities. There are three types of political externalities linked to three of the fundamental dimensions that intervene in the development of electoral campaigns: the party image, its internal organisation, and the party platform.

The party image

The image of the party and, in particular, the image that its leader projects to the public has become a crucial element when designing electoral campaigns. Parties are concerned about providing the best possible brand image (Reeves, de Chernatony, and Carrigan 2006) and by standing for elections everywhere they may increase their visibility (Gaines 1999) and be seen as a serious organisation (Scammell 1999), strong and committed to the country, to a region or to certain ideological perspective.

When voters see a party presenting candidacies everywhere, irrespective of its chances of becoming viable, they will be better acquainted with the party, which may entail a boost in its electoral performance in those arenas where viable. Indeed, the literature has shown that, for the case of mixed-member electoral systems (MMS), fielding candidates in the more restrictive nominal tier enables an improvement in the electoral results in the list tier due to an increase in the party's visibility (Herron and Nishikawa 2001; K. E. Cox and Schoppa 2002; Ferrara, Herron, and Nishikawa 2005).

Conversely, staying out of competition or entering it through a coalition, can bring about the emergence of negative political externalities. This is especially so not only when parties decide to withdraw from elections, but also when they join a coalition, as they can suffer an important deterioration in their image. Beyond the specific pledges through which political parties contest elections, the overall perception of the party's character is what counts (Heath, Jowell, and Curtice 1985). In this sense, the Duvergerian decision to withdraw from competition when non-viable may bring about a loss of credibility for the party and a weakening of its image. Voters may consider that the party is no longer concerned with the defence of a certain set of values and an ideology, but rather with maximising its electoral returns, and they may eventually refuse to vote for it even in the constituencies where it is viable. Therefore:

H1.1. Political parties running for elections alone will obtain positive political externalities from competing due to an increase in the visibility of the party.

H1.2. Political parties coalescing or withdrawing from competition when non-viable will obtain negative political externalities since this strategy may weaken the image of the party and entail a loss of credibility.

Related to the image of the party and, more specifically, to the party brand, political parties may also present candidacies when non-viable as a way of running under the same label across different arenas. Parties are highly concerned about maintaining a strong party label (Pekkanen, Byblade, and Krauss 2006). This provides a

valuable 'brand name' so that any of the members of the party will be interested in running under the same umbrella. In addition, maintaining the party label is also a crucial heuristic for voters, providing cognitive shortcuts that allow them to compensate for the absence of factual knowledge on what candidates stand for (Lodge and Hamill 1986).

Contrarily, the decision to run under different labels across districts, or to asymmetrically withdraw from competition in those districts where the party has no chances of gaining a seat, may cause confusion among voters and, eventually, it may reduce its electoral performance in the viable districts. As a consequence, political parties will prefer to run in all the arenas and to do so under the same label, so as to avoid the emergence of such negative political externalities. Two additional hypotheses follow:

H1.3 Political parties running for elections alone will obtain positive political externalities from competing by protecting and promoting the party label.

H1.4. Political parties coalescing or withdrawing from competition when non-viable will obtain negative political externalities due to the generation of confusion among voters.

Party organisation

The second of the externalities to compete is related to the dynamics within local party organisations. Political parties are becoming more leader-driven and internally democratic, where "individual party members are winning increased decision-making power, especially for what concerns crucial personnel choices" (Carty 2004; Hopkin 2001). This increased predominance of a professional leadership is however coupled with a "high degree of accountability to the lower strata in the party", thus reducing tensions between the two empowered groups (Koole 1994).

Political parties fielding a full slate of candidates when non-viable will be able to keep local organisations alive, adaptable and active. Local organisations and activists are an "essential communication channel, [...] a link between the broad electorate and the party leadership" (van Houten 2009), and they bring new issues and demands to the party (Carmines and Layman 1997). Similarly, local organisations and activists have a positive impact on shaping the image the electorate has about the party's policy stances and on providing inputs for the drafting of party platforms (íbid.). Additionally, local organisations are valuable sources of labour for parties during election campaigns (Scarrow 1994; Müller and Strøm 1999). Whether viable or not, local organisations and party activists participate in local campaigns. This contributes to keeping the local structure of the party alive and active, which may eventually be useful for when the time comes to contest elections where the party is viable (Christensen 1996).

Conversely, not presenting candidacies alone may bring about negative political externalities from the internal opposition that the party may face (Blais and Indridason 2007). A crucial goal for political parties is survival and, by deserting competition in an arena where they are non-viable, the party may harm the intraparty cohesion and

strength (Filippov, Ordeshook, and Shvetsova 2004). Activists are normally against taking decisions that might enhance the performance of the party if, by doing so, they call into question some of the principles of the organisation. As Scarrow (1994) asserted, "unlike the professional politicians, these volunteer supporters would rather lose elections than compromise the purity of the party policy". To prevent these negative externalities from taking place, political parties will more likely decide to stand for elections alone. Then:

H2.1. Political parties running for elections alone will obtain positive political externalities from competing due to the possibility of keeping the local organisation active.

H2.2. Political parties coalescing or withdrawing from competition when non-viable will obtain negative political externalities by facing confrontation within local organisations.

Party platform

The third of the externalities arising from the overlap of electoral arenas refers to the promotion of the party platform. Presenting candidacies when non-viable may allow parties to raise debates at the local arena that otherwise would not have been put forward (Spoon 2009). By standing for elections -whether viable or not- political parties will be able to raise citizens' awareness of certain issues during election time and shed light on debates that otherwise would have been obviated by viable parties. However, the decision to present candidacies when non-viable can also be understood as a method of keeping a certain political debate active in other arenas where the party is viable or for when the time comes to contest other elections where the party expects to obtain representation. Such behaviour may bring about positive political externalities since, by increasing awareness about an issue and shaping the political agenda, the party may also be potentially enhancing its performance in other arenas where it is viable. In consequence:

H3. Political parties running for elections alone will obtain positive political externalities from competing due to the possibility of shaping the political agenda.

In sum, the overlap of arenas generates a new context where the decision to compete alone when non-viable becomes more attractive for parties -as opposed to what the Duvergerian theories predict- because of the existence of positive political externalities of competing. In parallel, the decision to withdraw from competition and to join a coalition becomes less beneficial to what Duverger expected – due to the presence of negative externalities of competing.

Data and methods

The arguments presented above will be put to the test by several parties in Canada and Spain. These two countries are ideal case studies because (i) the conditions for the observance of the Duvergerian gravity (Cox 1999) are met; (ii) various political parties with asymmetric viability have taken divergent strategies in contexts of non-viability;

(iii) the analysis can factor in variation in the electoral system (SMD plurality in Canada vs PR in Spain) while controlling for other factors that could affect reliability (such as the presence of ethnolinguistic regional cleavages and decentralised regional arenas); and (iv) the decentralised structure of power of the two countries allows extending the analysis to regional chambers. Indeed, while this study covers two countries, it examines four parliaments: the Canadian House of Commons, the Quebec provincial parliament (*Assemblée Nationale du Québec*), the Spanish lower chamber (*Congreso de los Diputados*) and the Catalan regional parliament (*Parlament de Catalunya*).

The empirical analysis includes 11 different case studies. They can be divided into those parties that have taken a Duvergerian decision and those that have challenged it. As Table 1 shows, in five case studies, political parties have taken a decision according to what Duvergerian theories predict under non-viability conditions (either by withdrawing from competition or joining a coalition) whereas in six case studies, political parties have called into question the Duvergerian gravity (by competing alone).

Table 1
Case Studies

	Duvergerian strategy		*Non-Duvergerian strategy*
	Coalition	*No entry*	*Entry alone*
Canada	-	*Québec Solidaire* in the federal elections. Strategic withdrawal of the Liberals in the constituency of Central Nova in 2008.	*Québec Solidaire* in the Quebecois parliament elections New Democratic Party in the federal elections. Failed attempt of fusion between the New Democratic Party and the Liberals.
Spain	Coalition *Partit dels Socialistes de Catalunya* & *Iniciativa Catalunya Verds* in the 1999 Catalan parliament elections	*Ciutadans* in the 2011 lower house elections. *Solidaritat* in the 2011 lower house elections.	*Izquierda Unida* in the lower house elections. *Ciutadans* in the 2008 lower louse elections and in the 2010 Catalan parliament elections *Unión, Progreso y Democracia* in the lower house elections.

The empirical analysis builds on in-depth semi-structured interviews with political leaders and campaign managers in Canada and Spain. All of the interviewees belong to the small core management of the party, either because they were the party leader or because they were the campaign director. These are therefore key party informants and, hence, the ones that take the decisions during the electoral campaign. All the interviews

were carried out face-to-face between June 2010 and December 2011. The Annex provides detailed information about the interviewees.[5]

Empirical Results

In-depth interviews with political leaders in Canada and Spain confirm some of the hypotheses raised. H1.1 suggests that competing when non-viable may increase the visibility and the image of the party. Empirical evidence shows important support for these arguments. Stéphane Dion, leader of the Liberal party of Canada (henceforth Liberal) in the 2008 federal elections, expressed the view that:

> *"I think that first you need to show you are a national party and you don't give up. It's important for the people where you are strong to show that you are crying for all the Canadians. Thinking for the Liberals, if we give up a region they will be less likely to vote for us, even if they are not in the region. Imagine we only present in Ontario, where the liberals are strong, and that we give up the West, they will not have any incentive to vote Liberal".[6]*

Similarly, the Head of the Electoral Committee of Campaigns and the Committee of Coordination of Québec Solidaire (QS), Alain Tremblay defended the view that presenting candidacies is a matter of political posturing:

> *"We have to show to voters and to the media that we are a significant player and a serious party. (...) If we decide to present candidates everywhere the party can no longer be regarded as an irrelevant actor and hence we need to behave in accordance.*

Karl Bélanger, the Senior Press secretary for the New Democratic party of Canada (NDP) and leader of the NDP in Quebec, noted that the necessity to present candidacies everywhere to keep the party visible is especially relevant in urban areas:

> *"If you go to Montreal you cannot win all the seats there; but if there is only one riding where we can run seriously, people don't stand on the riding, they move around the city, so if they don't see the presence of the party, they don't see us as actives and therefore they don't see us as viable when it comes the time to make their vote choice".*

Besides, it has been argued that the decision to compete within a pre-electoral coalition or staying out of competition may entail a loss of credibility and reputation of the party (H1.2). In this regard, Stéphane Dion (Liberal) asserted:

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[5] Further information about the case studies and the interviewees can be found at Guinjoan (2014, chap. 5).

[6] Party leader quotations are extracted from Guinjoan, Marc. 2014. 'Qualitative empirical analysis', in *Parties, Elections and Electoral Contests; Competition and Contamination Effects.* Farnham: Ashgate/Gower, pp. 57-93. Copyright © 2014.

"Giving up districts where you are weak may weaken you where you are strong. For people in the street: They care about their country. They have relatives in other regions. If they have the sense that this party that they like is giving up in the region, they'll be less likely to support their own party".

Likewise, the Member of the Federal Executive Commission of the Spanish Izquierda Unida (IU) and campaign manager of the party for the 2011 lower house elections, Ramón Luque, also dwelt on the necessity to present candidates everywhere since the party has a project for all the country:

"Not running everywhere would seriously damage the image of IU as it is nowadays conceived, as a serious party. This would also show to the electorate that the political formation has an opportunistic behaviour and that it is not interested in anything else but the electoral rewards it can obtain from elections".

These are however, cases of parties that have taken the non-Duvergerian decision of competing alone even if non-viable. Yet, what were the reasons stressed by those non-viable parties that decided to give up competition or to join a coalition? The post-communist Iniciativa per Catalunya-Verds (ICV) decided in the 1999 Catalan elections not to run in three of the four constituencies, but instead to compete there in a coalition with the socialist party Partit dels Socialistes de Catalunya (PSC), which had options to overcome the moderate Catalan nationalists for the first time in the Catalan regional elections. Rafel Ribó, leader of ICV in the 1999 Catalan parliament elections, defended this agreement by arguing that "the context in which elections were held asked for such a courageous decision". This opinion was, however, not shared by the members of Esquerra Unida i Alternativa (EUiA), the reference party of IU in Catalonia, which split from ICV in 1999 due to their rejection of this coalition ICV-PSC. Ramón Luque, member of the National Commission of Esquerra Unida i Alternativa (EUiA), argued that Ribó's decision was completely inadequate and challenged the principles of the party. According to Luque, a similar proposition at the national level had been done in other occasions from the Socialists of the PSOE to IU, although IU had always been rejected the agreement:

"Once, the leader of the PSOE in the 2000 Spanish national election proposed to us to reach an electoral agreement for which we would not be running in certain constituencies, and in compensation, some of the deputies elected in the PSOE list would be given to the parliamentary group of IU. Apparently the agreement was beneficial for IU since we were assuring a larger number of deputies than by running alone, but we did not agree terms because this proposition broke our State conception.

The three case studies in this research, where parties decided not to enter competition alone when non-viable -Ciutadans-Ciudadanos (C's) and Solidaritat Catalana per la Independència (SI) in Spain, Québec Solidaire in Canada- considered that not standing alone could not damage the image of the party. This was so because

they were not competing in their 'core election'. As José Manuel Villegas, organisational secretary for C's, argued:

> "Experience has shown us that in our five years of history we have a very important differential vote in our party. We first thought that if the voter did not have our ballot they would vote for another party and we would lose their loyalty. Then you present candidacies and you obtain a few votes in the European and the national elections, but afterwards regional elections come again and you obtain very good electoral results. (...) We think that people do not vote for you in those elections that they do not consider as 'yours', but then they vote for you in 'your' elections".

Hypothesis 1.3 establishes that parties would prefer presenting candidacies everywhere as a way to keep the party label. Several interviewees supported this idea. According to Stéphane Dion (Liberal), the idea that some politicians launched before - and especially after- the 2010 federal elections, of merging the NDP and the Liberals was inappropriate because the party has a long history, a well-known name and a reputation:

> "Our party, the Liberal party, has existed since [the Canadian] confederation in 1867; we have delivered more governments to our country than any other party in the democratic world. I think we have done a good job; this time [the 2010 federal elections] Canadians have chosen to penalise us, because you cannot win always, but to merge with another party, for us it would be a mistake".

Meaningfully, the party leader appealed to the institutionalisation and to the longevity of the party as a constraint against joining a coalition. However, the case of the Spanish Unión, Progreso y Democracia presents a complementary view. The party, which is present throughout Spain but very weak in Catalonia, chose not to forge a coalition with the Catalan C's in the 2007 national elections, although the political stances under which both parties confront elections are similar. In this case though, rather than to *keep* the party label, the decision to run everywhere under the same brand was taken so as to *promote* the party and to obtain the loyalty of their voters. Francisco Pimentel, campaign manager for UPyD in the 2011 lower house elections, argued:

> "We are a national party and as a consequence we have to behave as such. This involves not only competing in all districts of the country regardless of our electoral performance, but also competing everywhere under the same identical label".

However, when Alfons López Tena, deputy of Solidaritat Catalana per la Independència (SI) in the Catalan parliament from 2010 to 2012, was asked whether the decision not to compete in the 2011 election could jeopardise the reputation of the party and the name associated, he answered:

> "Not in this case because SI is a political party with only one year of history. The problem may exist in other parties: Esquerra Republicana de Catalunya is 80 years old, Convergència i Unió is 30, or Iniciativa per Catalunya-Verds."

Hence, it seems that for institutionalised political parties, presenting candidacies everywhere may be understood as a way of keeping -and taking advantage of- the party label. However, as the case of UPyD highlights, for recently created parties, if the necessity to present candidacies everywhere exists, it may be due to the desire to promote the party name and to show consistency and seriousness; for other newly created parties though, this necessity may not arise, as the case of SI illustrates.

In contrast, hypothesis 1.4 suggests that parties may obtain negative political externalities from the confusion that the decision to stand for elections under different labels may generate. Evidence from interviews does not support this possibility. The agreement between the PSC and ICV when they ran together in three of the four Catalan constituencies could have been hypothesised to generate confusion to the electorate. However, both Rafel Ribó (ICV) -the father of this agreement- and Ramon Luque -who ran elections alone, among other reasons, as a way to reject this agreement- considered that citizens were not confused by such a decision.

With regard to the hypotheses related to party organisation, H2.1 argues that the decision to compete alone may allow the party to keep the local structure active for elections where the party is viable. Empirical evidence from interviews considerably supports this hypothesis, at least in the case of Canada. Political parties in Canada strongly rely on the local organisation when publicising the party during elections. Stéphane Dion (Liberal) defined the role of local activists during elections as follows:

"You have your grassroots working door-to-door, helping your candidate everywhere, working as volunteers, they believe in you, in your party, in your platform".

Similarly, Alain Tremblay (QS) noted:

"Presenting candidacies everywhere is the way to have a strong organisation that confronts a fight, a target, an objective to reach. It is a way to keep the organisation alive and its members with enthusiasm. Within the organisation the simple fact of fighting for an election means to gain collective experience".

The case of Spain is considerably different because, the evidence suggests, political parties do not need to rely on local structures as much as parties do in Canada. Consequently, it seems that the role that activists are expected to play in each of the countries is crucial for understanding differences. In Canada, due to the need to perform proximate campaigns, the role of activists is more relevant than in Spain, where campaigns are mostly centrally driven.

Besides, the decision not to enter into competition alone may entail some *negative political externalities* due to the possibility of facing confrontation from the local structures of the party (H2.2). There is considerable agreement among all the party officers that any strategic decision that moves away from the classical behaviour of the party has to contend with the agreement of the local bases of the organisation. As Karl Bélanger (NDP) asserted:

"The impact of not running in any riding would certainly upset many people. (...)
There is no movement I can find of not running a full slate in all the country".

Similarly, Ramón Luque (IU) argued that not presenting candidates in a non-viable riding could upset local activists, which may eventually end up presenting an independent candidacy. However, these are cases where the party decided to compete alone when non-viable: what was the opinion of those parties that took a Duvergerian-based decision and decided either to join a coalition or to withdraw from competition? To help answer this question, we can study how the local organisations of the Liberal party of Canada in the province of Nova Scotia reacted after the national leader of the party, Stéphane Dion, decided not to present a candidacy in the constituency of Central Nova as a result of an agreement with the leader of the Green Party. Dion asserted:

"Many liberals of new generations were excited about this new way to do politics.
For Liberals from other times it was difficult to swallow; especially from some
members of Central Nova. (...) However, if I had had the sense that both the riding
association and the liberals in Nova Scotia were really against with what I was
going to do, I wouldn't have done that. I had enough support, the reluctance was
not strong enough, and so I could go ahead with this idea."

In a similar manner, the agreement reached by the PSC and ICV in the 1999 Catalan regional elections was able to count on notable support from the local organisations within ICV. In Rafel Ribó's words:

"Of course there were those who did not agree with the idea, very few people, but
there were some. They considered that by running together the party was losing its
personality and image, becoming diluted in the three constituencies where the
coalition was formed".

However, most of the local bases in the three constituencies where the agreement was reached agreed on the decision. Additionally, the coalition was not formed in the constituency of Barcelona, where the party performs better, which helped to reduce any criticism.

Finally, the cases of C's and SI trying, unsuccessfully, to craft an electoral agreement with ideologically similar but bigger parties for the 2012 Spanish lower house elections reveal that the decision of staying out of competition does not necessarily entail disagreements within the organisation. Although the first preference of the two parties was to compete within a broader coalition, the final decision to stay out of the race did not cause significant conflicts within the organisations. These cases show evidence for the fact that counting on the support of the local bases is particularly relevant at the moment of deciding political parties' strategic decisions. In sum, confrontation from local activists may entail important negative political externalities for the party, since it may result in internal opposition; however, interviews have also revealed that, in certain contexts, political parties may decide to stand out of competition if they realise that this will not bring any internal conflict within the party.

Finally, hypothesis 3 argues that competing, even if non-viable, would be preferable to joining a coalition or withdrawing from competition since it will generate *positive political externalities* due to the possibility to keep debates active and to spread them across the territory. Interviews show considerable support for the hypothesis, although the evidence seems to apply only to those political parties with important degrees of 'ideological rigidity' (Sánchez-Cuenca 2004). In particular, interviews show evidence of this externality for the two most leftist parties under study, IU and the NDP. According to Karl Bélanger (NDP), presenting candidacies everywhere, even if non-viable, is important as it extends political debates throughout the districts of the country, even when the party does not have any chance of achieving representation:

> *"When you come from a riding where you have no chances of winning you still want to make a difference, you want to try to raise issues, to try to frame the debate, and if you are not running then nobody will talk about what you can do for the elderly, poor, or housing, or homeless. If you don't have someone from the NDP running maybe these issues will not be raised at all. And you force the other candidates to react to those issues. Sometimes you may not be successful at winning but you may create awareness about issues".*

In a similar vein, Ramón Luque (IU) stressed the actual need for the party to present candidacies everywhere as a way to show the weaknesses of the social democratic discourse:

> *"This has also been of especial relevance within the leftist forces. And as time goes by it becomes even more important to present candidacies everywhere in order to create awareness of the political context we are facing, since confusion within the European social democratic forces is very evident".*

Henceforth, interviews confirm that running candidacies when non-viable allows political actors to create awareness about some issues and to spread debates across arenas. At first sight though, this may primarily benefit only the popularity of the discourse itself, whereas the party that is promoting it may only indirectly benefit from it. However, it is undeniable that certain political discourses are associated with certain political parties. Hence, by promoting this discourse both in arenas where the party is viable and in those where it is not, the party will be able to derive positive political externalities. This may eventually end up with an improvement in the party's electoral performance in other arenas where it is already viable. Hence, there is considerable evidence in favour of H3, although this would only be relevant for explaining the emergence of positive political externalities within parties with an important degree of ideological rigidity.

Conclusions

In this paper, I have called into question the Duvergerian assumption that parties only compete at the mid- and long-term when they expect to become viable. I have argued

that the decision to stand for elections when non-viable, far from being a random phenomenon, is the dominant strategy among parties competing in multiple arenas, and that this can be explained by the emergence of political externalities. I have tested my arguments through in-depth interviews with party elites in Canada and Spain. The evidence has revealed the crucial role of positive (negative) externalities for parties (not) standing for elections when non-viable. Competing even if non-viable has been shown to bring about positive externalities for the party because it is a way i) to gain visibility; ii) to promote the party label – particularly for institutionalised parties; iii) to keep the local organisation active for when the time comes to contest elections where the party is viable; and iv) to raise awareness about certain issues – especially for parties with a certain degree of ideological rigidity.

Analogously, the decision to withdraw from competition or to join a coalition has been shown to generate some *negative political externalities*. In particular, by not competing, the party i) may suffer a loss in its reputation, especially when the party decides not to compete alone in its core election; and ii) may face confrontation from the local structure whenever the decision does not have the support of grass-roots members.

Overall, through the study of Canada and Spain I have shown that the overlap of electoral arenas modifies the incentives political parties have to compete alone when they are non-viable, to the extent that the decision to stand for elections alone becomes a dominant strategy, whereas withdrawing from competition or joining a coalition turn into less preferable strategies than what the Duvergerian theories presume. Further analysis will have to extend the study of the causes that lead parties to present candidacies when non-viable to other countries. This will also enable the broadening of the scope of the study to other institutional settings and, eventually, help verify whether the causal mechanisms behind each of these phenomena are universal and they lead to a common pattern of behaviour explainable by a general theory; namely, that political parties take advantage of their viability in a certain arena to present candidacies in other arenas where they are non-viable.

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Annex

Table A1
List of People Interviewed[a]

Case	Interviewees	Position	Place	Date
1) Coalition between the PSC and ICV in the 1999 Catalan parliament	Rafel Ribó	Leader of ICV in the 1999 Catalan parliament elections	Barcelona (Catalonia, Spain)	06/10/2011
	Ramón Luque [b]	Member of the National Commission of EUiA and the Federal Executive Commission of IU	L'Hospitalet de Llobregat (Catalonia, Spain)	16/12/2011
2) QS in the federal elections	Alain Tremblay	Head of the Electoral Committee of Campaigns and the Committee of Coordination of QS	Montréal (Quebec, Canada)	17/06/2010
3) Strategic withdrawal of the Liberals in the 2008 federal elections in Central Nova	Stéphane Dion	Leader of the Liberal Party in the 2008 federal elections	Montréal (Quebec, Canada)	11/06/2010
4) C's in 2011 lower house elections in favour of UPyD	José Manuel Villegas	Organisation secretary for C's	Barcelona (Catalonia, Spain)	03/10/2011
5) SI in the 2011 lower house elections	Alfons López Tena	Deputy of SI in the Catalan parliament	Barcelona (Catalonia, Spain)	25/11/2011
6) QS in the Quebecois parliament	Alain Tremblay	Head of the Electoral Committee of Campaigns and the Committee of Coordination of QS	Montréal (Quebec, Canada)	17/06/2010
7) NDP in the federal elections	Karl Bélanger	Senior Press secretary for the NDP and leader of the NDP in Quebec	Ottawa (Ontario, Canada)	28/06/2011
8) Failed attempt of fusion between the NDP and the Liberals	Karl Bélanger	Senior Press secretary for the NDP and leader of the NDP in Quebec	Ottawa (Ontario, Canada)	28/06/2011
	Stéphane Dion	Leader of the Liberal Party in the 2008 federal elections	Montréal (Quebec, Canada)	11/06/2010

9) IU in the lower house elections	Ramón Luque [b]	Member of the Federal Executive Commission of IU and campaign manager of the party for the 2011 lower house elections	L'Hospitalet de Llobregat (Catalonia, Spain)	16/12/2011
10) C's in the 2008 lower house elections and in the 2010 Catalan parliament elections	José Manuel Villegas	Organisation secretary for C's	Barcelona (Catalonia, Spain)	20/12/2011
11) UPyD in the National elections	Francisco Pimentel [a]	Campaign manager for UPyD in the 2011 lower house elections	Madrid (Madrid, Spain)	20/12/2011

[a] Acronyms: PSC: *Partit dels Socialistes de Catalunya*; ICV: *Iniciativa per Catalunya Verds*; QS: *Québec Solidaire*; Liberals: Liberal Party of Canada; C's: *Ciutadans – Partido de la Ciudadanía*; SI: *Solidaritat Catalana per la Independència*; NDP: New Democratic Party; IU: *Izquierda Unida*. UPyD: *Unión, Progreso y Democracia*.

[b] Interviews carried out for the [ANONYMIZED].