

## 2 Explanations of Success and Failure of New Parties

### *Research Review*

I begin my literature discussion with theoretical works. First, I look at the classics of economic theory in political science to see what they say about new parties and their relationship with competitors. The two most important and competing schools of theory are spatial and saliency theory, to each of which I devote a section. I end each section with a discussion of the advantages and disadvantages of the theories.

The discussion of these theoretical approaches can be summarized in three points: First, new parties have received little attention in the development of theory as a whole. Second, considerable differences can be found about the presumed influence of a party's strategy on its competitors. Third, the conception of saliency and spatial theory as (irreconcilable) opposites goes too far. Instead, the two approaches complement each other.

Afterward, I will review the current state of empirical research. Because there is only one work that really analyzes the effect of strategies on the vote share of (niche) parties, I go up the ladder of abstraction and look first for research that deals with my primary independent variable, the policy move literature. Second, I go through research dealing with my dependent variable, the vote share (or, even more general, the success) of new parties.

The discussion shows that the explanation of new party success focuses mostly on sociological and institutional factors, while ideology is a relatively new factor in that research. The policy move literature explicitly recognizes the ideology of rivals as an essential factor. However, it primarily examines the influence of the opponent's policy moves on the direction of the focal party's policy moves. So, my research fills a gap in the literature.

### *2.1 Theoretical Foundations*

The spatial theory is grounded in the idea of a market where sellers are placed along the street to reach buyers as effectively as possible. This analogy has been transferred to politics: the political market stretches along an ideological dimension on which parties take different positions to win over voters.

This idea is opposed by saliency theory, which emphasizes the importance of selective issue emphasis. In this reading, it is not different positions on issues but their selection and emphasis that is the powerful lever in political competition.

These two theories lead to different conclusions regarding competition between new and established parties, elaborated in the following sections. Thereby it is shown that the two theories can complement each other.

### 2.1.1 The Role of New Parties in Spatial Theory

The positioning of political parties is at the core of spatial theory. In a nutshell, spatial theory implies "that parties compete by taking different positions on a pre-given policy dimension resulting in a party political agenda fixed on a few connected issues" (Green-Pedersen, 2007, p. 608). This "has been a fairly accurate description of party competition in Western Europe" (p. 608).

In the following, the development of this theory will be briefly reviewed to identify theorems relevant to the competition of new and established parties.

Spatial theory can be traced back to the seminal work of statistician and economist Harald Hotelling (Hotelling, 1929). His work attracted great attention early on. Lerner and Singer, Smithies, and Downs further developed spatial theory to its present form.

Hotelling was among the first to give up an idealized market without any spatial expansion by allowing distance between sellers placed along a line. Instead, Hotelling argues that sellers can shape the number of their customers by changing their position. He shows that if the position of seller A is fixed, seller B will move as close to A as possible, thereby maximizing his profit. If new sellers are added to this model, the result does not change: "If a third seller C appears, his desire for as large a market as possible will prompt him likewise to take up a position close to A or B, but not between them. [...] As more and more sellers of the same commodity arise, the tendency is not to become distributed in the socially optimum manner but to cluster unduly" (Hotelling, 1929, p. 53). So, under competitive conditions, the suppliers sell in the middle. Hotelling calls this "agglomerating tendencies" (Hotelling, 1929, p. 53-54) and sees them at play everywhere: "The mathematical analysis thus leads to an observation of wide generality. Buyers are confronted everywhere with an excessive sameness" (Hotelling, 1929, p. 54).

Hotelling's remarks can easily be transferred to politics and thus to new and established parties, as long as they share the same rationale, which means

if both seek to maximize votes. From his point of view, new parties will behave very similar to the established forces and position themselves in the middle of the political spectrum, to the right or left of existing competitors. The distance to the established parties will be as small as possible in order to win the most significant possible number of voters, because "there is an incentive to make the new product very much like the old, applying some slight change which will seem an improvement to as many buyers as possible without ever going far in this direction" (Hotelling, 1929, p. 54).

The next developmental step was taken by Lerner and Singer, who were able to show that Hotelling's conclusions are only valid for special cases. Different configurations appear dependent on "the relationship between three quantities: (a) the length of the market; (b) the cost of transport; (c) the price buyers are willing to pay for the delivered commodity, i.e., price plus transport cost" (Lerner and Singer, 1937, p. 148). Sometimes the sellers cluster together; other times, they are more evenly distributed across the market.

Of particular interest here is their analysis of the entry of a third seller. Lerner and Singer describe a system with two producers in which a third competitor arises. This corresponds to a two-party system in which a new party positions itself right or left to the established parties in the center. When one of the established parties now decides on its future position, it has an incentive to leapfrog the new party in order to escape its squeezed position and win over voters left or right of the new party: "If the movements are infinitesimal, the three producers stay at the center. If, when the middle man is squeezed out, the man on the other side moves up to fill the gap, they also remain at the center. But if, before such an adjustment takes place, the new prisoner in the middle makes a dash for the out-side, there will ensue a movement [...], whereby the group is broken up into two parts" (Lerner and Singer, 1937, p. 178). What is described here is a dynamic situation of party competition. The parties follow a zigzag course, leading them to the margins until more voters can be won by a change of position towards the middle again.

While Lerner and Singer assume that "each takes the location of the others as given" (Lerner and Singer, 1937, p. 178), Smithies relaxes this assumption. In his model, each seller expects "reactions of his rival" (Smithies, 1941, p. 424). This allowed him to show that there are competitive situations in which competitors do not cluster in the middle of the market but keep a distance from each other.

However, the most outstanding developmental step and the final inclusion to spatial theory in the canon of political science can be attributed to Downs. He embedded the spatial analogy, as he calls it, in his broader economic theory of democracy. Downs supplements Hotelling's work in several respects. The first addition concerns the meaning of the scale. Downs assumes ordered political preferences upon which all citizens can agree. This order is usually identified as a left-right axis, although other classification criteria are also conceivable. Furthermore, in Downs's theory, parties are vote-maximizing actors who try to represent a policy that appeals to as many voters as possible: "The major force shaping a party's policies is competition with other parties for votes" (Downs, 1957, p. 102). On this basis, Downs stresses the contradiction between the conclusions already drawn by Hotelling and others and the observations of empirical research: while theory suggests that parties will have ideologies with only minor differences, in reality, the differences between parties are striking (Downs, 1957, p. 100).

Downs shows that party system configurations can be understood as consequences of different voter distributions along the left-right axis. According to Downs, the number of parties in a party system depends on the modality of the voter distribution. While uni-modal distributions lead to two-party systems, multi-modal distributions will cause multiparty systems. Bi-modal distributions with peaks at the ends of the political spectrum can lead to the breakdown of the party system. Thus, it makes sense for parties in Down's model to formulate different ideologies to appeal to different social groups. The limit of differentiation is the lack of election success. Parties stick to their manifesto if they win votes. If not, changes in their ideology can be drastic (Downs, 1957, p. 109).

These theoretical advances lead to a refined perspective on rivals' impact on the party ideologies. Downs identifies electoral successes and losses of competitors as the decisive reference points for parties. In a hypothetical constellation in which each of three parties appeals to a particular group of voters, but only one party regularly wins an overwhelming number of votes, this leads, according to Downs, to an ideological adaptation of the other parties. The rationale behind this is that the losing parties need to convince voters of the winning parties in order to stay in the game (Downs, 1957, p. 101).

Thus, the Downsian approach shows that party ideology is determined by utility calculations that take into account the positioning of voters and rivals. This is a central insight concerning the relationship between new and established parties.

With regard to new parties, Downs assumes two types: The real type is founded to win elections by filling a gap in the ideological spectrum of the party system. These gaps open up if voter preferences change over time so that established parties do not cover this particular position on the dimension of competition. The influence type, on the other hand, is instrumentally founded to influence the established parties by threatening them with loss of votes (Downs, 1957, p. 127). He assumes that new parties of the influence type are relatively short-lived, while he does not make any predictions about the fate of the real type new parties.

Of course, Downs also admits that every party needs votes to survive and that hardly ever is a party founded whose sole purpose is to influence other parties. Nonetheless, Downs sees the influence type of the new party as a real possibility, especially in cases where established parties lose supporters at their margins by positioning themselves too centrally. Downs describes the logic of these influence parties as follows: "In order to threaten party B with defeat unless it moves back toward the right, the right-wing extremists found party C. This party cannot possibly win itself, but it can throw the election to A by diverting extremist votes from B. To get rid of this menace, party B must adopt some of C's policies, thus moving back to the right and taking the wind out of C's sails. This will cause party C to collapse, but it will have accomplished its purpose of improving the platform of one of the real contenders, B, in the eyes of its extremist supporters" (Downs, 1957, p. 131).

This example shows that, in Downs' view, vote gains and losses occur primarily in competition with the ideologically closest opponent. The new far-right party, called C in Downs' example, gains votes at the expense of the right-wing party B. An adopting strategy of the established party B vis-à-vis the new party C then leads, according to Downs, to a restoration of the status quo ante, i.e. (substantial) vote losses for the new party. This admission of Downs can be seen as an early form of the argument developed here, according to which established parties react to new parties and thus contribute to determining their fate.

In the relationship between parties and voters, the role of uncertainty must also be taken into account. Uncertainty is defined as "any lack of sure knowledge about the course of past, present, future, or hypothetical events" (Downs, 1957, p. 77). So how do voters and parties deal with uncertainty, and how does this affect the fate of new and established parties?

Let us start at the voter level. To track and compare all the actions of parties and governments is beyond voters' capacity. That is why voters need

shortcuts to reduce the costs necessary to keep up with political developments (Downs, 1957, p. 98). Research has confirmed (Adams et al., 2011) and psychologically substantiated (Gigerenzer and Gaissmaier, 2011; Kahneman and Frederick, 2012; Tversky and Kahneman, 1973) these assumptions. In the spatial model, ideology serves the voters as a heuristic for understanding politics.

So we can assume that voters are more interested in the overall picture, i.e., the ideology, than in the very details of political discussions, i.e., the issues. As Downs puts it: "Instead of comparing government behaviour with opposition proposals, he compares party ideologies and supports the one most like his own. Thus he votes on ideological competency, not on specific issues" (Downs, 1957, p. 99).

What does that mean at the party level? As we have seen, voters need shortcuts to follow politics. The parties offer these shortcuts in the form of an ideology that is reflected, among other things, in the party manifestos. To address as many voters as possible, it is rational for parties to blur their offerings and "to adopt a spread of policies which covers a whole range of the left-right scale" (Downs, 1957, p. 133).

For the competition between new and established parties, we would thus suspect an adoption strategy, where the position of the new party is integrated into the manifesto of the established parties. Party programs that unite many different policies allow for voters' different perceptions of the party position. However, there is no guarantee that this calculation will work, as voters may question the party's credibility if parties try to integrate too many different positions.

A methodological consequence can be drawn from this insight: It is not the prime directive to measure the differences between parties' positions on individual issues ever more finely, but to use a measure that can capture the overall positioning of the party as voters may perceive it. This problem is discussed in more detail in the measurement chapter.

Of course, the development of spatial theory did not end with Downs. For the problem of new entrants or dealing with rivals, scholars like Enelow and Hinich (1984), Palfrey (1984), Shepsle and Cohen (1990), Greenberg and Shepsle (1987) and Kitschelt (1994) have added to spatial theory. I will briefly discuss their work in the following, focusing on the central ideas I derived for this project.

Enelow and Hinich contrast the social-psychological approach of election research with their spatial theory, which describes electoral decisions as utility-maximizing actions of rational actors. According to their model, the

electoral chances of a policy or candidate depend on the distance to the median voter and other electoral offers: "Viewed in simplest spatial terms, the voter will cast his vote for the candidate 'closest' to him in a space that describes all factors that are of concern to the voter" (Enelow and Hinich, 1984, p. 3).

There are two essential insights here: First, the voter's decision space is multidimensional. Voters compare the candidates' positions on different issues. Second, voters minimize the distance between their position and the candidate's position. Therefore, electoral success can be explained by analyzing the distance between positions in a multidimensional political space.

To deal with the inherent multidimensionality of politics, voters label candidates based on simplified information obtained from indirect sources such as the media (Enelow and Hinich, 1984, p. 38). Enelow and Hinich assume that these labels can be used as "predictive dimensions that represent the underlying space in which electoral competition takes place" (Enelow and Hinich, 1984, p. 38). Furthermore, they "are convenient devices for simplifying discussions of policy issues by avoiding the alternative of listing the policy position of the candidate on a broad range of issues" (Enelow and Hinich, 1984, p. 38).

Given the above, it can be concluded that the prediction of election results does not require a detailed examination of each issue but rather an abstract assessment of the parties' position.

This leads to another important insight, which I utilize in this project: The authors point out that measurements do not need to have an absolute origin. Rather, "the absolute difference between any two points (such as that between two labels) can be used to measure deviations" (Enelow and Hinich, 1984, p. 39). Based on these considerations, I determined changes in party platforms through their relative distance from each other in this book.

At the same time Palfrey (1984) explored the idea of an equilibrium that stabilizes party systems with two established parties, that "choose their platforms competitively while rationally anticipating entry of a vote-maximizing third party" (Palfrey, 1984, p. 139).

Palfrey argues that established parties face the problem that a policy move in the direction of the other established party increases their vote share in the short term, but at the same time increases the risk that a new party will occupy the unoccupied, more extreme area of the political spectrum (Palfrey, 1984, p. 153). Ultimately, his reflections lead to the dictum that established parties will never fully converge and new parties will never win the election.

Greenberg and Shepsle (1987) take up these considerations and show that the entry of a new party is possible and that it disrupts the former spatial equilibrium between the established parties (Greenberg and Shepsle, 1987, p. 535). The authors argue that this leads to "a strategic tension in multiparty systems: each established party is torn between competing against its established opponents and protecting its flanks against potential entrants trying to displace it" (Greenberg and Shepsle, 1987, p. 535). Furthermore, they point out that established parties may have advantages in electoral competition because of their reputation for past performance (Greenberg and Shepsle, 1987, p. 535). Here, the idea of issue ownership, as discussed below, is already present.

Palfrey's line of thought was further discussed by Shepsle and Cohen (1990), who examined the consequences of new party entry in situations of multiparty competition. The authors show that the dimensionality of space is a loose end in spatial theory, putting harsh restrictions on the modeling process. At the same time, the authors doubt that progress is possible without the restriction to unidimensionality (Shepsle and Cohen, 1990, p. 36).

The problem of multidimensionality, or more precisely, new lines of conflict in political space, is also emphasized by Kitschelt in his seminal book about the transformation of social democratic parties in Europe (Kitschelt, 1994).

Concerning the questions addressed in this book, Kitschelt's concept of "oligopolistic competition" (Kitschelt, 1994, p. 144) is of central interest. However, in a deviation from the scholars presented, Kitschelt softens the assumption of vote-maximizing parties. Instead, he introduces the idea of long-term vote maximization, which can lead to political decisions that are irrational from a short-term perspective.

The basic idea of oligopolistic strategies is that parties forego short-term vote gains if they have the prospect of securing long-term vote gains by damaging their opponent (Kitschelt, 1994, p. 128). Kitschelt examines what conditions must be present in a political system for social democratic parties to apply such a strategy in the face of their new challenges. Thereby he is mainly interested in the influence of these strategies on the electoral success of the social democratic parties. To this end, he examines several European countries focusing on the 1970s and 1980s.

In summary, I take from this theoretical tradition the basic idea of political competition as changes in spatial proximity and distance, as stated in the Hotelling-Downs model. Based on the extension of this basic idea, political competition can be described more concretely as rivalry between established



parties on the one hand and new parties on the other. The established parties are in a quasi-equilibrium, which is disrupted by new party entry.

To deal with these new challenges, established parties can react strategically: these oligopolistic strategies serve to harm the political opponent in the hope of securing long-term vote gains. All this happens in a multidimensional space whose poles are not fixed but are the subject of political debate.

This book builds on these ideas and examines the broad category of new parliamentary parties competing with established parties for 18 countries since the 1960s. In short, the central thesis is that new parties disrupt the former equilibrium and that established parties respond strategically to restore the former oligopoly situation through policy moves on various issues.

Of course, spatial theory is not without its critics. In the next section, I discuss some of the main problems. Afterward, I introduce the saliency theory as a (complementary) approach.

### *Problems of Spatial Theory*

In the 1960s, Stokes pointed out that the "Hotelling-Downs model" is based on the axioms of unidimensionality, fixed structure, ordered dimensions, and common reference (Stokes, 1963) – and that these axioms are challenged in the real world.

First, Stokes argues that "the space in which political parties compete can be of highly variable structure" (Stokes, 1963, p. 371), which is very different from the metaphorical Main Street or intercontinental railroad Hotelling used to describe his theory. Hence "the dimensions that are salient to the electorate may change widely over time" (Stokes, 1963, p. 371). This idea turns spatial theory upside down; it is not the changing distribution of parties and voters that explains election outcomes, but "changes in the coordinate system of the space" (Stokes, 1963, p. 372). Therefore party leaders need to know "what issue dimensions are salient to the electorate or can be made salient by suitable propaganda" (Stokes, 1963, p. 372).

Second, Stokes shows that sometimes there is no "ordered set of alternatives of government action" (Stokes, 1963, p. 372) as assumed by spatial theory. That is why he introduces the differentiation between "position-issues" and "valence-issues". Position issues, such as the degree of state intervention in the economy, are characterized by an ordered set of alternatives. In contrast, valence issues, such as advocacy of peace or justice, are not. Nevertheless, these issues can be decisive for the outcome of the election. The argument

is then about "which party is more likely to achieve it" (Stokes, 1963, p. 374). If parties "maneuver in terms of valence-issues, they choose one or more issues from a set of distinct issue domains" (Stokes, 1963, p. 374), which potentially aids them. So valence issues cannot be excluded from the consideration of party competition.

Third, position-based approaches need to deal with the multitude of conflicts and issues around which party competition revolves. Depending on the perspective, this is discussed as multi-dimensional policy space (Linhart and Shikano, 2009) or as increasing capacity and complexity of issue competition (Green-Pedersen, 2007).

The problem itself is twofold. On the one hand, some argue that "the intrusion of a new issue dimension had changed the structure of the space in which the parties competed for electoral support" (Stokes, 1963, p. 372). In order to deal with that problem, there are attempts to integrate new issues into the dominating left-right dimension (Jahn, 2011). However, there is an upper bound to that approach: Adding new issues to the existing dimensions is not adequate every time because the number of possible new issues is, in principle, unlimited. To place all issues on the left-right dimension would devalue these categories' meaning. Therefore, some scholars question the relevance of the left-right dimension itself (Grossman and Sauger, 2019; Otjes, 2018).

With an increasing number of new issues, there are also attempts to identify entirely new dimensions to meet the requirements of spatial theory and political reality. Examples of such efforts include the GAL/TAN (Hooghe et al., 2002) and the Green-Growth dimension (Jahn, 2016, p. 43-49), which allows for new issues and replaces the ordering function of left and right. Some authors even try to find a statistical super dimension (Gabel and Huber, 2000).

Unfortunately, these strategies lead to new problems. Firstly, it calls into question the axiom of ordered dimensions: If there are several issues arranged on several dimensions, can we speak of an ordered set of alternatives, or is this idea more or less a theoretical construct, an attempt to bring ex-post order to the chaos of reality? This problem becomes even more striking when the valence issues are considered. By definition, these have no alternative position; therefore, it is hard to integrate them into existing (bi-polar) dimensions.

At the very least, it can be stated that the introduction of new dimensions requires intensive justification. Otherwise, there is a danger that artifacts will

ultimately be created that are not of fundamental importance for structuring political competition.

While the initial axiom of unidimensionality is perhaps an oversimplification, true multidimensionality cannot be the solution either. It is too much of a burden for the voter to keep track of many dimensions, issues, and alternatives. Perhaps politicians can follow politics in detail, but to assume that voters can do so is probably going too far. However, this raises the question of the extent to which the common reference axiom is valid (Stokes, 1963, p. 374).

In particular, it should not be forgotten that we live in a highly complex world, based on the division of labor and divided into social systems. So there are good reasons to believe that voters and politicians hold different perceptions of politics. Adams et al. (2011) show "that voters do not systematically adjust their perceptions of parties' positions in response to shifts in parties' policy statements" (p. 370) and that there even is "no evidence that voters adjust their Left-Right positions or their partisan loyalties in response to shifts in parties' campaign-based policy statements" (p. 370).

In a review, Adams discusses the problems and challenges of spatial theory in greater detail. He points out that while scholars were able to show that parties act very much as predicted by spatial theory, the effects of this positioning on the voting stays hazy (Adams, 2012, p. 412). Adams argues that voters often do not act in accordance with spatial theory, whereas parties do. Adams lists three possible causes for these findings: citizens who do not follow politics, the irrelevance of manifestos as most analyzed party communiqués, and contradictory and therefore blurring messages of factions within parties.

### 2.1.2 Saliency Theory and Issue Competition

Stoke's criticism can be seen as the starting point for saliency theory, which was later refined by the work of Robertson (1976), Budge (1982), Budge and Farlie (1983) and others. In a nutshell, saliency theory argues that parties "rarely take specific policy stands at all or mention any other party or issue-position. Instead their programmes assume there is only one tenable position on each issue and devote their energy to emphasizing the policy areas on which their credibility on that position is strong enough to pick up votes" (Budge, 2001a, p. 79).

Saliency theory argues that party competition is rather about "emphasizing certain topics and playing others down" (Budge, 1982, p. 149), than about direct confrontation of different views and answers. In a sense, this is an exaggeration of Stokes' basic argument. While Stokes sees parties as competing on position and valence issues, Budge argues that parties only compete with each other through selective emphasis of specific issues (cf. Dolezal et al., 2014, p. 60).

The basis for this theory is a series of assumptions leading to the selective emphasis dictum. Saliency theory suggests that "party strategists see electors as overwhelmingly favouring one course of action on most issues. Hence all party programmes endorse the same position, with only minor exceptions. [...] Party strategists also think that electors see one party as more likely than the others to carry through the favoured course of action" (Budge, 2001a, p. 82).

Accordingly, some issues are identified with a party, which helps the party win votes when they are at the center of political debate. The concept of "issue ownership" was introduced to describe this phenomenon. Although several alternative definitional approaches exist, one of the most recent attempts to combine them comes from Stubager. He defines issue ownership as "the perception in a voter's mind that a specific party over the long term is most competent at handling - in the sense of delivering desired outputs on - a given issue" (Stubager, 2018, p. 349).

A party that takes that seriously "emphasizes its 'own' issues in its election programme, in an attempt to increase the salience of these for voters. It emphasizes 'rival' issues less or not all" (Budge, 2001a, p. 82). If all parties follow this logic, political differences are reduced to a selective emphasis on different issues and position competition on ideological dimensions is canceled out.

From the perspective of saliency theory, the new party distinguishes itself through new issues. The competition between new and established forces revolves around issue ownership and the public agenda. Accordingly, the new party's thematic specificity, or nicheness, is of considerable importance to understand party competition.

This shows that saliency theory is an alternative approach to the spatial model in many ways. Instead of uni-dimensionality and ordered preferences, selective issue emphasis comes to the forefront. The fixed structure of political competition is replaced by a political agenda, which is the subject of party competition. So it is not surprising that saliency theory comes to different

results than spatial theory. To illustrate this point, consider the following examples.

As we have seen, spatial theory suggests incentives for broad party positioning. On the one hand, a blurred ideological program can attract many different voters and maximize a party's votes. But, on the other hand, this kind of uncertainty reduces the attractiveness for a single voter and undermines the credibility of party positioning. Therefore, parties are somewhat locked in their ideology niche.

From the perspective of saliency theory, this problem can be reformulated as a question of issue ownership, which leads us to a different view. Saliency theorists would stress that issue ownership benefits the established parties: they can stick to an issue identified with them and secure their vote share. Moreover, in contrast to spatial theory, the lock-in effect is a much lesser concern since the party can take up other issues at any time without the potential of losing credibility.

Concerning the new party phenomenon, we see another exciting difference. The spatial perspective leads us to think only of new parties that exploit significant shifts in the party or voter preferences that opened a gap in the political spectrum or as functional start-ups that only intend to influence established parties. From the perspective of saliency theory, the situation is different. New parties have more opportunities in political competition. They are not limited to their role as means of pressure or as beneficiaries of changes in ideological views.

First, the new parties must deal with the issue-party connections already established. So, new parties could attack the issue ownership of the old parties as discussed by Meguid (2005, 2008). However, Seeberg (2020b) questioned whether this is a promising strategy. I will discuss this later. Another strategy is to avoid conflict and address issues that have been ignored so far. This niche party strategy (Meyer and Miller, 2015; Wagner, 2012), achieves issue ownership on its own. It is important to note that this strategy is not, as in spatial theory, based on the fact that voters or parties have changed their ideological views and that an established party does not occupy a position on the left-right dimension. Instead, it opens up a new issue that cuts across the main dimension of party competition.

More generally, these strategies are referred to as issue competition, as opposed to the position competition strategies discussed in spatial theory. Issue competition originated in Carmines and Stimson's (1986; 1989; 1993) work about issue evolution. Green-Pedersen adopted it and developed it further into a synthesis of spatial and salience approaches. That makes it well

suiting to be applied to competition between new entrants and established parties.

In short, Green-Pedersen argues that issue competition is about parties forcing each other to address issues they do not want to discuss. It is about dominating the public agenda with their issues and making other parties' issues disappear (Green-Pedersen, 2007, p. 609).

This recalls the "influence type" of the new parties proposed by Downs as well as the niche party concept. While the former is about forcing other parties to adopt a particular position, the latter reminds us that an ideological niche formed by neglected issues can provide a habitat for smaller parties.

Issue competition literature further suggests that two areas of party competition can be distinguished, namely "the content of the agenda of party competition and party positions on the issues on the agenda" (Green-Pedersen, 2007, p. 612). Both areas complement each other so that "party competition becomes considerably more complex" (Green-Pedersen, 2007, p. 612).

In summary, salience-based approaches emphasize the importance of selective issue emphasis for the public agenda. This causal path goes beyond the influence on issue ownership and is thus a valuable complement to saliency theory. Furthermore, it sheds light on an important lever for parties in dealing with (new) competitors and adds a new perspective to party competition. Finally, with the issue competition theory, an approach was presented here that combines saliency theory with spatial theory to account for the complex nature of party competition.

### *Problems of Saliency Theory*

Saliency theory was developed as a counter-proposal to spatial theory and based on different assumptions about political competition. However, much like spatial theory, saliency theory is challenged too. In particular, party strategists, i.e., those party elites who play a decisive role in formulating election programs, seem to be far less convinced of a uniform voter opinion on most issues than saliency theory predicts.

At the heart of salience-based approaches is the issue ownership concept, which is challenged by empirical findings. Meguid's "Position, Salience and Issue Ownership" theory is an example. It empowers mainstream parties with salience-based strategies that alter issue ownership and thus election results of niche parties. The basis for this idea is that issue ownership is a

short-term phenomenon with volatile attributions from election to election. Therefore, it is subject to party competition (Meguid, 2005, 2008).

Dolezal et al. (2014) shows that "parties disproportionately emphasize issues they 'own'. Yet, the core assumption of saliency theory that parties compete via selective issue emphasis rather than direct confrontation over the same issues fails to materialise in the majority of cases" (p. 57). Based on these results, it is uncertain whether the assumptions of saliency theory are sound in this respect.

This ongoing debate can be traced back to the seminal work of Petrocik (1996), who delineated both short-term and long-term effects. Despite the lengthy debate and the fact that research results have recently tended to point in the direction of long-term phenomena (Seeberg, 2017, 2020b; Stubager and Slothuus, 2013), there is still no general consensus.

On this basis, a moderate position is taken here, arguing that issue ownership is "mostly stable over time but not always constant" (Seeberg, 2020b, p. 19). This leaves room for the possibility "that a party can counteract a rival party's issue ownership over a longer period of time by slowly changing its position in a way that voters accept. Several social democratic parties have done so on immigration in recent decades" (Seeberg, 2020b, p. 19). Therefore, a possible influence of changes in issue ownership should not be ruled out, but this alone is not sufficient to adequately explain volatile election results.

### 2.1.3 Conclusions

While the basic idea of the Hotelling-Downs model has remained in place, continuous further development, especially by Palfrey (1984), Kitschelt (1994), Adams (2012) and many others have led to much more refined models of party competition that also take the strategies of the parties seriously.

The interest in political science has focused on the fundamental tendencies that result from different party system configurations. Initially, spatial theory assumed agglomerative tendencies, but it was quickly shown that this is only a special case. The entry of a new rival can lead to a dynamic competitive situation in which leapfrogging occurs. However, an even distribution of parties is just as conceivable, at least as long as electoral successes by rivals do not force a change in their ideology.

All in all, less attention was paid to the impact of new entrants and the nature of their offer, which is the center of interest here. Of course, spatial

theory contains interesting perspectives for a detailed analysis of the relationship between new and established forces, with positioning being a key aspect. However, it is certainly not the whole picture.

Critics of spatial theory point out that axioms such as the uni-dimensionality of political preferences do not hold in the real world. Thus, at least for voter behavior, its explanatory power is limited. Complementary theoretical considerations are necessary to explore the influence of established parties on the vote share of new competitors. Accordingly, extending spatial theory with concepts from the salience perspective seems reasonable.

Saliency theory was developed as an alternative approach to spatial theory. Unlike spatial theory, it does not focus on a uni-dimensional preference structure but emphasizes that various issues can be the subject of party competition. Saliency theory broadens the scope of party action by shedding light on an essential aspect of party competition.

Yet, in light of empirical findings, saliency theory remains controversial. Moreover, issue ownership as a central causal path is problematic. With these problems, issue competition theory points to an alternative causal path that could explain the influence of salience-based party competition on the vote share of (new) parties beyond issue ownership.

However, on its own, no single approach seems capable of presenting the overall picture of party competition between new and established parties, so further development of the theory is necessary. Accordingly, I propose to consider issue competition (Green-Pedersen, 2007) as a complementary causal path of the influence of salience on election outcomes, which is open to positional competition too. It fits very well into the current development of theoretical research (Elias et al., 2015) as well as the empirical approaches central to this work (Meguid, 2005).

## 2.2 *State of the Art in Empirical (New) Party Research*

While a growing body of literature focuses on explaining the success and failure of parties based on their policy moves, studies that look at the impact of strategies on the vote share of competing parties are comparatively rare. A significant exception is Meguid's work "Party competition between unequals" (Meguid, 2008), where she explains the success of niche parties depending on the strategies of established parties.

Therefore, I went up the ladder of abstraction and searched for studies dealing with my primary independent variable, competitor strategies' impact,



or the dependent variable, the vote share of new parties. While the first strand of literature deals with the causes (and consequences) of party policy moves, the latter focuses on explanations of new party success. Relevant studies are discussed in the subsequent sections.

### 2.2.1 Causes and Consequences of Party Policy Moves

This book focuses on the importance of ideological position changes of established parties for the vote share of new parties in parliament. Thus the work fits into the party policy move literature as a larger context. In particular, the search for reasons and consequences of party policy moves is an extensive and highly recognized research field. Thus, its comprehensive presentation exceeds the scope of this work. Therefore, I present the studies below that directly affect the research conducted here. Specifically, these are studies that either consider the influence of ideological positioning on parties' election results, which explain why parties move at all, or that deal with the influence of the positioning of rival parties.

The influence of new parties on the election programs of old parties was already examined early on. Harmel and Svåsand (1997) came to the finding that old parties "will change its ideological identity in reaction to a successful new party only when the established party itself experiences poor election results which it can attribute to the new party" (p. 315). This finding was grounded on a small sample of only two new parties. Concerning niche party success, this result has recently been confirmed (Abou-Chadi, 2016; Abou-Chadi and Krause, 2020). This shows that rivalry between parties is an essential driver of political competition.

Somer-Topcu (2009) proved that parties change their position due to gains and losses in a previous election. However, this effect seems to diminish over time: "Parties tend to shift their policies more when they have lost votes in the previous election than when they have gained votes; and the effect of past election results dissipates with the passage of time" (Somer-Topcu, 2009, p. 238). The extent to which parties are willing to change their position depends on past election results. Thus, it can be assumed that established parties react to new parties, especially when they have lost votes. In a similar vein, Abou-Chadi and Orłowski (2016) showed that previous election results influence party strategies of mainstream and niche parties.

In addition to election results, policy moves by rivals themselves are also a reason to change position: Adams and Somer-Topcu (2009b) examine the

question of whether and in which direction parties react to the policy shifts of their competitors. The authors found "that political parties respond to rival parties' policy shifts by shifting their own policies in the same direction" and "that parties are more responsive to policy shifts by other members of their ideological family than to the policy shifts of other parties in the system" (Adams and Somer-Topcu, 2009b, p. 842). Parties thus become more alike, especially when they share the same ideological niche.

Another interesting approach comes from de Vries and Hobolt (2021). The authors examine the relationship between dominant or mainstream and challenger parties. They interpret policy moves as strategic behavior by the dominant parties toward the challenger parties. Moreover, the identified strategies combine positional and issue competition. All in all, they identify three strategies motivated by vote-seeking of the dominant party: The first strategy is referred to as "distinctive convergence". It is a form of policy moderation whereby dominant parties appeal to voters with a central position. The second strategy, called "issue avoidance," is salience-based. Dominant parties that apply such a strategy aim to "keep certain policy options off the political market" (de Vries and Hobolt, 2021, p. 88), by "a strategy of ambiguity that blurs their position or downplays the issues' importance (de Vries and Hobolt, 2021, p. 98). The authors name "competence" as the third strategy of dominant parties: "To secure the middle ground in competition with very similar parties, they end up offering "valence" policies that emphasize their competence in implementing policies that are widely agreed on by a broader electorate" (de Vries and Hobolt, 2021, p. 88).

From these studies, I conclude that one of the main assumptions of this work, namely that established parties respond strategically to new parties, is valid. Furthermore, past election results are an important factor worth considering.

Which consequences do these policy moves have for parties? Ezrow (2005) demonstrates that parties with moderate positions have advantages in electoral competition. His findings confirm the importance of party position in general and the median voter theorem in particular.

These results also led to the question of the extent to which niche parties are subject to the same logic. Of particular interest is whether niche parties adapt their position due to changes in public opinion and whether the electorate positively receives these policy moves. Adams et al. (2006) could show "that the answer to both questions is no" (p. 513). The study has shed light on the fact that mainstream parties and niche parties must expect different results, even if they act similarly. Interestingly, niche parties suffer vote losses if they

take moderate positions, while mainstream parties do not have to fear this. This result also holds up in more recent work (Abou-Chadi and Orłowski, 2016).

The fact that the moderation of a party position can result in a loss of votes is called "Costly Policy Moderation Hypothesis" (Adams et al., 2006, p. 526). In a research note, Ezrow examines this phenomenon in greater detail. He points out that there is indeed an "inverse relationship between votes and proximity for niche parties" (Ezrow, 2008). Furthermore, he confirms that a moderate policy position has the opposite effect for niche parties as for mainstream parties: "Based on the findings reported here, budding niche parties would be well-advised to start off by adopting comparatively radical left-right policy positions. Furthermore, the logic of niche party policy differentiation, raised by Bonnie Meguid, appears to hold along the traditional left-right dimension of party competition" (Ezrow, 2008, p. 216). This is, of course, an exciting result, as it raises the question of whether this will hold when new parties are taken into account.

Zons (2016) provides the first indications of an answer to that question. In his analysis of ideological profiles of niche parties, Zons shows that the specificity of niche parties decreases over time: "Overall, the results of this study show that one cannot assume programmatic features of niche parties to have constant effects over time. Rather, the analysis of this study suggests taking into account the electoral lifecycle of parties when investigating the effects of their programmatic features. This becomes particularly important in view of the fact that most niche parties considered in the literature start off as new parties" (Zons, 2016, p. 1224). This reveals at least two interesting thoughts. First, the lifetime of parties (or time more generally speaking) is an essential factor to consider. Second, there is an overlap between new parties and niche parties, but they are not identical, as is often implicitly assumed. Both considerations are reflected in this book.

Of course, Zons is not the only one who has recognized that time matters. Adams and Somer-Topcu (2009a) suggest "that parties' policy promises exert lagged effects on their electoral support: namely, parties gain votes at the current election when they moderated their policies at the previous election. By contrast, we find only weak and inconsistent evidence that parties' support responds to their current policy programs" (Adams and Somer-Topcu, 2009a, p. 678). It is clear from this work that the consequences of a policy move are not necessarily reflected in the current election. Instead, lagged effects must also be considered. I took this insight into account in the conception of the regression models, as will be discussed later.

### 2.2.2 Explanation of Success (and Failure) of New Parties

There is extensive literature that examines the conditions for the success and failure of party families such as the Greens (Müller-Rommel, 1993), right-wing (Arzheimer, 2009; Golder, 2003) and populist parties (Mudde, 2004). Less extensive is the number of studies that deal with new parties independently of the respective party family. In the following, I focus on the strand of literature dealing with the (initial) success of new parties, as this is the main research interest of this project.

Overall, three different meanings of success can be distinguished: Initial success means that parties succeed in winning seats for the first time, or in other words, that they overcome the threshold of representation. Studies sharing this definition try to explain the number of new parties in parliament after an election. The second definition focuses on the new parties' vote share: success is a party's vote gain in an election. Finally, the third definition focuses on the long-term fate of parties, i.e., the party's survival in parliament.

Below, I present studies from each of these three groups to discuss the various explanations that researchers have come up with so far. Roughly, two different research strands can be distinguished based on the focal points concerning the independent variables.

The first strand of the literature focuses on institutional or sociological factors as key explanatory variables for the number of new parties at an election in a country (Tavits, 2006) or their vote share (Tavits, 2006; Willey, 1998). In other words, party-external factors are stressed. The studies of this literature strand represent the majority of the work in this field of research. By elucidating the variance between countries, these studies contribute significantly to the knowledge about the conditions for the success of new parties.

At the same time, inherent limitations of this research design must also be taken into account. This is clearly expressed in Lago and Martinez (2010): "However, they do not explain why viable parties do or do not emerge in the same institutional setting. In other words, while these studies are useful for explaining inter country variation, they do not account for the emergence of successful political parties in a specific country at any given time. Given that electoral systems and population diversity rarely change markedly within countries, and certainly not as often as party systems, the emergence of new viable parties within countries cannot be explained based on the findings of these studies (Chhibber and Kollman, 1998: 328; 2004: Ch. 1). Constants cannot explain variables" (p. 5).

Based on this criticism (cf. Meguid, 2005, p. 347), a second important strand of literature has developed, which sees the success of parties more strongly determined by party ideology of its own and of others. This view was first introduced into the discussion by Meguid (2005).

Meguid emphasized the importance of strategies of mainstream parties for the election success of niche parties by including the role of party position, issue ownership, and salience in her theory. She argues that positional competition and mainstream parties' selective emphasis of issues alters issue ownership, which influences the vote share of right-wing and green niche parties.

She distinguishes between three strategies: The dismissive strategy is characterized by the established party's unwillingness to deal with the issue of a new niche party. This strategy decreases the salience of the issue and thereby decreases the vote share of niche parties. If a mainstream party uses the accommodative strategy, it adopts the position of the niche party. Thus, the salience of the issue increases, the position converges, and the issue ownership is transferred to the mainstream party. Therefore, Meguid presumes a decreased vote share of the niche party. The third strategy is called adversarial. The mainstream party increases the salience of the issue by opposing it. This strategy reinforces the new parties' issue ownership, which presumably leads to an increased vote share.

Meguid brought a completely different perspective to the discussion with this approach, which led to several studies that examine somewhat similar approaches.

For instance, this approach was examined recently by van Spanje and de Graaf (2018). The authors focus on Meguid's key hypothesis and show that established parties decrease the vote share of other parties if they adopt the policy position and ostracise the party: "Parroting a party decreases its support only if that party is ostracised at the same time" (van Spanje and de Graaf, 2018, p. 1).

Spoon (2011) took the opposite perspective of Meguid and developed a theory on small party survival, putting small party agency in the center: "The parties' perseverance is based on their strategic decisions and interactions with the larger parties in the policy, electoral, and communications spheres. This behavior has changed over time and varies with the political context. Moreover, this behavior helps small parties persist despite adverse systemic, partisan, and individual-level factors" (Spoon, 2011, p. 12). Like Meguid, she stresses the role of ideology to explain the fate of parties. The novelty here is that she broadened the argument beyond mainstream and niche parties.

However, she only tests her theory on selected green parties, so it is unclear whether this finding can be transferred to other small parties.

The explanation of success with party characteristics like the programmatic offer has become increasingly popular. Zons argues that the programmatic profile of the existing parties explains the initial success of new parties because "it determines the scope for possible programmatic innovations" (Zons, 2015, p. 1). An important difference to Meguid's approach is that Zons focuses on the programmatic diversity of the party systems. He can show that ideology contributes greatly to explaining the number of new parties. However, the influence of the strategies of individual established parties could not be clarified in this way. The consequences of density within ideological niches were analyzed by van de Wardt et al. (2016). They find that increasing density within a niche increases the odds that parties in that niche will exit from parliament (van de Wardt et al., 2016, p. 250). A similar approach was used by Zur (2019). He answers two questions: "First, when do parties fail? Second, which parties survive longer?" (Zur, 2019, p. 1). As a main result, he can show that most parties fail in the first elections. Moreover, ideological moderation and distinctness are long-term benefit factors (Zur, 2019, p. 16).

In a more recent wave, the survival and termination of parties, thus the long-term perspective, gained increased scholarly attention. While Zur (2019) analyzes all parties in a given party system, regardless of their idiosyncrasies, Bolleyer et al. (2016) focuses on the particular conditions, leading to the termination of party mergers. In a more general manner, Bolleyer et al. (2019) analyze the different factors of party dissolution and merger. This work "stresses the impact of party and country characteristics on the hazards of both types of death" (Bolleyer et al., 2019, p. 1). Of particular interest here is that the authors found evidence that parties "may profit from their distinct ideological profile" (Bolleyer et al., 2019, p. 25). About new parties, this suggests that ideological profiles of these parties should be taken into account in the model.

Moreover, this strand of the literature suggests the importance of parliamentary entry for the survival of new parties: Obert and Müller (2017) analyze the factors explaining new party survival in the Czech republic. They show that entry into the regional council is essential for the long-term survival of new parties. This result is in line with Dineas et al.'s (2015) findings on the influence of parliamentary entry for the future vote share of small parties. Bianco et al. (2014) complements this reasoning by pointing to the importance of party relevance (e.g., control over legislative outcomes) for

party survival: "In new democracies, holding other factors such as seat shares constant, relevant political parties are more likely to perform better in elections and survive over time compared with irrelevant or less relevant parties" (p. 256). These results show that it makes sense to analyze new parties after their first entry into parliament, as they are significantly more persistent than parties that have not yet crossed this threshold.

Overall, the literature on the conditions of success and failure of new parties shows that sociological and institutional factors have been well explored. At the same time, ideological factors of party competition are still developing as an explanatory approach in this field of research. In particular, the influence of the change of position of established parties on new parties has not been studied so far. This is done in this book.

### 2.2.3 Conclusions

In the first section, I have discussed studies that explain the causes or consequences of policy moves. The studies presented make it clear that parties act for strategic reasons, such as compensating for losses of votes in previous elections or reacting to policy moves by their rivals. Moreover, these policy moves have consequences: The vote share of the moving party is influenced, but not necessarily as theorized by the scholars. The consequences of policy moves for the vote share of new parties have not yet been studied. I aim to fill that research gap.

The studies presented in the second section investigate either how the number of new parties in parliament can be explained or the extent to which vote gains and losses are a function of sociological, institutional, or ideological factors. This research mainly focuses on the initial success of new parties, but recently, long-term success has become more important in the research.

Summarizing this literature, it becomes clear that sociological and institutional factors influence the emergence and vote share of new parties, but their impact is limited. Thus, research started to incorporate ideology into the models. The ideology of the focal party, the ideology of the competitors, or the programmatic profile of the party system was discussed. Bonnie Meguid's work can be regarded as the most important study about the research questions examined here. Hence, research is most developed with regard to niche parties, while the general category of new parties still requires further research. I fill this gap with this project and modify Meguid's theory

to apply to new parties. In doing so, I take into account the findings presented above. The results of these efforts are presented in the following chapter.