3 The Impact of Strategies
Theory and Hypotheses

In this project, I examine the impact of positional and issue competition between parties on the electoral fortunes of new parties in developed democracies. Thus, this work closes a gap in empirical research that was previously focused on institutional and sociological explanations.

I argue that the electoral performance of new parliamentary parties depends on the strategies of established parties and that this relationship is influenced by party characteristics like the ideological distance and nicheness of the parties involved.

The theory developed here is based on Meguid's work on niche parties, the position, salience, and issue ownership theory (PSO theory) of party competition (Meguid, 2008) as well as the issue competition theory (Green-Pedersen, 2007).

Meguid was among the first to bring together the concepts of position and salience in her modified spatial theory. In the context of this synthesis, she has inferred strategies of mainstream parties vis-à-vis their niche contenders.

This book applies its theory to the broader categories of established and new parties, thus including niche parties as an application case in a broader context. To clarify the extent to which assumptions and conclusions of her modified spatial theory of party competition also apply to new parties, the individual concepts of the theory are presented below and discussed in light of previous theoretical work and the current state of research.

In the following section, I summarize Meguid's PSO theory of party competition and present the changes I made to transfer her argument to new parties. Finally, I discuss possible strategies of established parties and the hypotheses that can be derived from the theory.

3.1 The PSO Theory of Party Competition

As discussed in the research review, the utility of sociological and institutional factors in explaining the vote share of (new) parties is limited. These structural factors hardly change and are therefore not suitable to explain the volatile vote share of parties. Moreover, structural factors underestimate the ability of

parties to adapt and react to changing requirements (Meguid, 2005, p. 348). Most importantly, parties can change the position and emphasis of issues to compete for votes against each other.

The predominant perspective tries to explain a party's vote share by its own policy moves. Meguid introduced a new perspective on the problem by examining the influence of policy moves on the vote share of niche parties. This change in perspective highlights the strategic aspect of policy moves in party competition.

At the core of her PSO theory of party competition are strategic positioning and salience of mainstream parties, which influences the ownership attribution of issues and thus the electoral support of niche parties (Meguid, 2005, p. 348-350). So the theory provides "mechanism-based explanations" (Hedström and Ylikoski, 2010) for the niche party phenomenon.

Meguid assumes that issue ownership is not static and therefore an object of strategic manipulation by parties: "A relatively undertheorized phenomenon, issue ownership, or issue credibility, has been overlooked by standard spatial theories of voting and party competition, which claim that voter decisions depend only on ideological proximity" (Meguid, 2008, p. 26).

In her theory, Meguid differentiates between dismissive, accommodative, and adversarial strategies of mainstream parties vis-à-vis niche parties and examines the impact on the niche party vote. The dismissive strategy is characterized "by not taking a position on the niche party's issue" (Meguid, 2005, p. 349). With this strategy, "the mainstream party signals to voters that the issue lacks merit. If voters are persuaded that the niche party's issue dimension is insignificant, they will not vote for it" (Meguid, 2005, p. 349). Meguid assumes a reduction in issue salience as the mechanism of action for this strategy. She contrasts this with the accommodative and adversarial strategies, which increase issue salience: The "accommodative tactic undermines the distinctiveness of the new party's issue position, providing like-minded voters with a choice between parties" (Meguid, 2005, p. 349). Winning over the new party's voters is likely to be more successful the closer the established party is to the new party. The background to this hypothesis is a presumed negative influence on the new party's issue ownership. On the other hand, in the adversarial strategy, the mainstream party takes an opposing position. In this case, it is assumed that the issue ownership of the new party is strengthened, which favors its electoral success.

I see four shortcomings of PSO theory that must be overcome to extend the theory's scope to new parties.

(1) I move away from pre-defined single issues: While Meguid focuses on green, right-wing, and ethnoterritorial issues, this project applies a new similarity measure based on party manifestos. This approach follows the work of Ezrow (2008, p. 209), who applied Meguid's argument to the left-right dimension. However, I go one step further and assess the overall accordance between new parties and the average of their established competitors in the party system. This is appropriate since not all new parties are niche parties in Meguid's sense. This transforms the nicheness of a party from a binary attribution to a metric variable, somewhat similar to the niche party measure that was proposed by Bischof (2017).

(2) In order to be able to measure the issue competition strategies of the established competitors independently of predefined categories, I also propose the change in text similarity between the election program of the new party and that of the established party at two successive election dates as a novel measurement of party accordance. The advantages of this approach will be discussed in greater detail later.

(3) On theoretical grounds, I complement the concept of issue ownership with the concept of issue competition, thereby taking into account current research findings. Meguid's theory assigns the decisive role to issue ownership. Issue ownership is the causal path that decides the fate of niche parties. Therefore it is central to her theory to see issue ownership as a short-term phenomenon that rivals can alter from one election to another. However, newer research shows that, on the one hand, issue ownership indeed can be attacked by rival parties (Seeberg, 2020b). On the other hand, "issue ownership appears quite stable across time" (Seeberg, 2017, p. 14). Therefore it seems to be "a general and long-term rather than a local and short-term phenomenon" (Seeberg, 2017, p. 1).

That means parties have to face the fact that voters already have comparatively stable ideas about the competence and credibility of parties, which will not change considerably between two elections: "Hence, parties can take advantage of issue ownership in their competition for voters, but will also be constrained by issue ownership in the sense that strategies have to be put around issue ownership" (Seeberg, 2017, p. 15). In order to ensure the effectiveness of their strategies, parties need to act as consistently as possible over more extended periods. Through consistent issue setting and positioning, the small changes in position and salience are strengthened and thus lead to changed issue ownership of the party. Of course, in reality, parties are unlikely to maintain the same strategies over long periods. Intra-party factions, a change of leadership, or continuing electoral defeat can lead to

implementing a new strategy. Furthermore, other parties act as agenda setters, just like the mass media. Changing environmental conditions and significant events such as economic crises or migration movements also ensure that specific issues become relevant so that parties are forced to occupy positions and issues that run counter to a consistent strategy.

To address this problem theoretically, I propose combining issue competition theory with Meguid's approach. In addition to issue ownership, issue competition also influences the public agenda, giving parties additional leverage to respond to changes in the voters' will.

(4) Instead of defining mainstream parties by a specific ideological spectrum, as in the original PSO theory, I include all parties in a given party system. The extended scope of the theory allows for statistically more robust inference. Moreover, the influence of ideological proximity on the main context can be investigated.

In the next section, I present the generalized theory in detail, i.e., I address the proposed theoretical expectations, discuss the strategies that established parties can use, and conclude by deriving hypotheses that will be tested in the empirical part of the book.

3.2 Explaining the Impact of Strategies on the Electoral Fortunes of New Parties

The previous sections explained the PSO theory of party competition and examined which explanations could be extracted about new parties. Furthermore, we have seen that spatial theory has represented party politics well in the Western world. However, the economically based left-right dimension is no longer the only driving force of political competition. Instead, salience-based competition is becoming increasingly important. That is why positional party competition and issue competition should be considered together (cf. Green-Pedersen, 2007, p. 608).

In order to extend the scope of theory to explain new parties' electoral success and failure, some modifications are necessary. While position and salience are undoubtedly the two most essential levers parties can use in their communications and thus represent the core elements of party strategies vis-à-vis their competitors, the role of issue ownership seems somewhat overstretched in light of current research findings. Therefore, I propose incorporating the idea of issue competition into the theory.

3.2.1 Summary of the Proposed Theory

Based on this re-conceptualization, the theory I propose here can be summarized as follows:

The entry of a new party into parliament changes the equilibrium of party competition. The established parties confront a new challenger, which suggests a critical inventory of their position and issue orientation. In order not to lose ground in the zero-sum game of party competition, a strategic positioning concerning their core voters as well as the electorate of the new party is necessary.

This means that established parties have to choose between an adopting, confrontation, or maintenance strategy with regard to the new party's position. Engagement, avoidance, and indifference are possible issue competition strategies that can change the relevance of a new party's issues for voters and, ultimately, the election result. Established parties have to remember that their election programs signal voters about their position on issues and their relevance.

As Meguid's conceptualization has already shown, it can be difficult or almost impossible for parties to take a position on an issue without giving it increased salience. This problem is alleviated if Green-Pedersen's dictum is taken into account, according to which positional competition takes place on the left-right dimension. In contrast, issue competition is unbound in this respect. This suggests that two independent measurements should be conducted.

Adopting, confronting, and maintaining thus concerns a fundamental positioning along the economically defined left-right axis. At the same time, engagement, avoidance, and indifference refer directly to the idiosyncrasies of the new parties and their issues.

Choosing an engagement strategy signals the new party's voters that their concerns are taken seriously. Linked to this is the hope that these voters will migrate away from the new party. On the other hand, established parties give an additional impetus to these issues; voters may thus be tempted to vote for the original, i.e., the new party. For the avoidance strategy, the opposite effects can be assumed, whereas the indifference strategy is, well, indifferent in this respect.

I argue that it depends on the ideological proximity of the two parties, which of these mechanisms prevails. Within the same ideological niche, I assume a positive correlation between an engagement strategy and the election result of the new party. Voter migration is less likely between parties

of distant ideological positions than between similar parties. As a result, the responsive behavior of the established party may have no or even a harmful effect on the new party's vote share.

To justify the theory and my hypotheses, I present a stylized model that shows the relationships between the individual concepts that make up the theory. Finally, based on the proposed theoretical expectations, I derive hypotheses and test them in the empirical part of this book.

3.2.2 Model and Hypotheses

In my model, I distinguish between micro phenomena at the voter level and macro phenomena at the party level (Figure 3.1). Thus, party position, salience, and vote share are macro phenomena. Of course, "the macro level, the system behavior, is an abstraction, nevertheless an important one" (Coleman, 1994, p. 12). So, the proposed causal path is not direct but mediated by micro-level phenomena. Party positions and selective issue emphasis affect the voting behavior and the chances of new parties' electoral success via the agenda perception and ideological proximity assessments of the voters. These mediating mechanisms shape the relationship observable at the macro level.

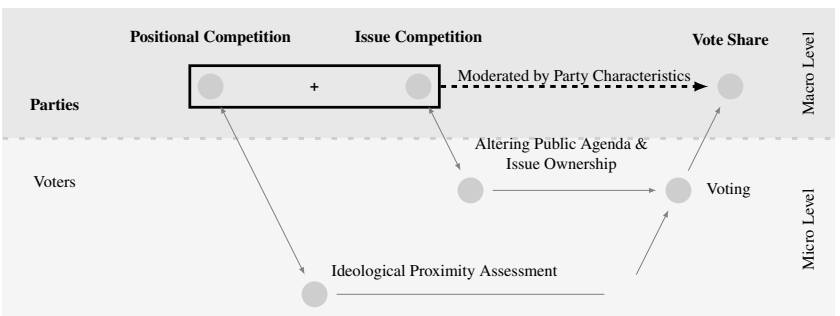

Figure 3.1: Macro- and Micro Level Propositions: Mediated Effects of Party Policy Positions and Issue Competition of Established Parties on the Vote Share of New Parties

In principle, this model explains the influence of positional and issue competition for all types of parties. However, the special dynamics of the model arise when it is applied to competition between new and established parties. In this particular case, the existing equilibrium in the party system is shaken

so that established parties have the incentive to change their issue emphasis or position to influence voters' proximity assessments or even the public agenda. In this sense, the political moves of the established parties can be characterized as strategic.

I define strategies as specific changes in the election program of an established party that addresses or contrasts issues and positions of the new party. By influencing the voters' assessment of ideological proximity, the perception of relevant issues as well as their issue ownership attribution, these strategies change voting behavior.

Both salience and positional strategies can be described by the spatial metaphors of convergence, divergence, and fixation. At the level of positional competition, one party can approach the other, i.e., adopt a similar position, move away from a presumed dimension or maintain the existing difference. These three fundamental distinctions are referred to as adopting, confronting, and maintaining.

At the issue competition or salience level, parties can take up the issues of their rivals, i.e., emphasize the rival issues more than before, which is called engagement strategy here. The reverse strategy is also conceivable, i.e., rejecting a previously emphasized issue. This is called issue avoidance. The third option, i.e., not changing the emphasis, is referred to as indifference.

Previous studies suggest that the specifics of the parties involved may alter the consequences of strategic policy moves (Abou-Chadi, 2016; Adams and Somer-Topcu, 2009b). Based on those findings, I assume that an established party in the same ideological niche as a new party may influence its rival differently than a party outside that niche. Similarly, new parties with a highly differentiated ideological offering may be challenged differently by the strategies of established parties than more conventional new parties. Therefore, I introduce shared party family membership and a party's nicheness as important variables in the model.

In the following, I summarize the theoretical concepts to derive hypotheses about the consequences of the different strategies.

3.2.2.1 Positional Competition

The importance of strategies of established parties for the vote share of new parties derives directly from spatial theory. It has already been discussed that the fundamental problem of positioning within a system of competitors has long occupied the development of spatial theory. The dispute between ”agglomerative tendencies” (Hotelling, 1929, p. 53) and even distribution over the available space (Downs, 1957, p. 126) has not yet been settled (cf. Ezrow, 2008, p. 217).

Even less is known about the consequences of strategic policy moves, i.e., the impact of a larger or smaller gap between a new party and its established rivals on the new party's share of the vote. Yet, despite the uncertainty about the concrete consequences of policy moves, the fundamental problem can be well described by Downs' approach.

Let us assume that the parliamentary parties position themselves only along one dimension, which we can call the left-right axis in ideological terms. The electorate is also distributed along this axis. In the initial state, citizens vote for the party closest to their position. In other words, voters assess the proximity between their own position and the position of the parties and vote for the party where this distance is minimal. Therefore, parties can change the voter assessment to their benefit by moving their position along the left-right dimension towards the voters. This movement affects the vote share of the moving party and the vote share of the new party, as we have seen in the research review.

Theoretically, the new party will lose votes if the established party adopts its position because a part of the voters will now be closer to the established party than to the new party:

H 1a. *If an established party adopts a new party's position, the new party's vote share decreases.*

It is well known from the literature that parties often react to their competitors with moderation, i.e., their policy move goes in the same direction as the rival's previous move. In the research conducted here, I examine a slightly different case, namely the extent to which the established party changes or maintains its distance from the former position of the new party. Here I expect no impact on the vote share of the new party because the ideological proximity assessment of the voters does not change.

H 1b. *If an established party maintains its distance from the new party, the new party's vote share is not affected.*

Suppose the adopting strategy is associated with a lower vote share for the new party. In that case, the confronting strategy should have an opposite effect because the established parties do not present themselves as an alternative to the voters who prefer the position of the new party. Furthermore, as the established party moves away from the new party, it loses some voters for whom the new party is now the optimal choice because the distance to the established party is higher than to the new party.

H 1c. *If an established party confronts a new party's position, the new party's vote share increases.*

So, from the perspective of the established party, parroting seems to be the best answer to the new party threat. However, party competition is not only about a specific position on the left-right dimension. Instead, parties compete about which issues are important and which are not. The next section discusses the possible impact of issue competition on the new party vote share.

3.2.2.2 Issue Competition

Issue competition between parties shapes the public agenda and mobilizes voters who share the same issue relevance assessment. Established parties are faced with the difficult decision of whether they can ignore the issues of the new party or whether they should include them in their election program. In the case of an engagement strategy, they give the issue additional salience, which potentially benefits the new party. An avoidance strategy can be dangerous, too, if the issue gains overall importance for voters but is not emphasized by the established party.

Meguid discusses the consequences of different salience-based strategies in her PSO theory. She assumes that an accommodative strategy is unfavorable for niche parties because it transfers issue ownership to the mainstream party. The adversarial strategy strengthens the niche party because it reinforces its issue ownership (Meguid, 2005, p. 350).

While Meguid is focused on the pivotal role of issue ownership of parties, Riker broadens the perspective and admits that the agenda of the parties involved impacts party competition. He proposed the dominance and the dispersion principle. The principle of dominance suggests forcing other parties into areas where the electorate is on its side (Riker, 1996, p. 106). In other words, the agenda needs to be shifted towards issues where the

party has issue ownership. Other parties can be dominated in this field. An established party should therefore not take up issues of the new party if there is a risk of leaving the area of its issue ownership.

However, the opposite strategy is suggested by Riker's dispersion principle: Issues can be removed from political competition to a certain extent because the deliberate withdrawal of political alternatives sterilizes them. A strategy based on the dispersion principle makes use of the stand-off, which "should lead both sides to abandon the subject" (Riker, 1996, p. 124), by taking over positions of the competitor. So, Riker assumes that an issue loses importance in political competition when both parties emphasize it. The engagement strategy would then harm the new party by neutralizing its issues.

So, based on these scholars, I assume a negative influence of the engagement strategy on the vote share of new parties:

H 2a. *If an established party utilizes the engagement strategy towards the issues of a new party, the new party's vote share decreases.*

The engagement strategy is characterized by increasing accordance with the issues emphasized by both parties. On the one hand, the engagement strategy increases attention to the issues of the new party, resulting in a change in the public agenda. However, on the other hand, this increased attention does not necessarily have to be positive for the new party: According to Riker, issues emphasized by both competitors lose their appeal to voters. Hence, if an established party takes up the issues of its new competitors, there is no longer any compelling reason for voters to prefer the new party to the established party. Instead, the mere experience of the established party could be the decisive argument for voters that this party is more capable of implementing its new position.

Another feasible option is the indifference strategy. Here, the established party does not change their issue salience concerning the new competitor. In contrast to the engagement strategy, where the established party emphasizes the issues of the new party, the indifference strategy is characterized by the fact that the similarity of both parties remains the same. Thus, I assume that the vote share of the new party is not affected:

H 2b. *If an established party is indifferent to the issues of the new party, the new party's vote share is not affected.*

Another option for an established party is the avoidance strategy. I assume that the avoidance strategy is applied from a position of weakness: established parties avoid the issue because the new party has issue ownership. Therefore

they think they cannot compete successfully in this area. Ultimately, the avoidance strategy strengthens the new party because the party does not have to compete with a rival that emphasizes the same issue. Because avoidance implies that the established party reduces the emphasis on specific issues, the new party's electorate is secured and extended. The established party no longer represents some of its former voters, so they vote for the new party at the next election.

H 2c. *If an established party avoids the issues of a new party, the new party's vote share increases.*

In summary, an engagement strategy is the most unfavorable strategy for the new party because it runs the risk that its (valence) issues will lose their appeal to voters if other parties also emphasize their support of those issues. By taking up issues of the new party, the established party presents itself as an alternative that can also appeal to voters who previously voted for the new party. Swing voters are shown that their problems are taken seriously. Therefore, it is more difficult for the new party to present itself as the only suitable representative of a specific issue. In contrast, the avoidance strategy should be associated with a vote gain for the new party, while the indifference strategy likely has no impact.

The hypotheses presented do not yet capture the influence of party characteristics. In the following section, I therefore discuss the party family, nicheness, and previous vote share as factors that influence the strength (and direction) of the correlation outlined here.

3.2.2.3 Influences on the Impact of Issue and Positional Competition

The hypotheses presented outline the basic relationship between positional and issue competition strategies on the vote share of new parties. However, they do not take into account the influence of moderating factors. I assume that the characteristics of the competing parties influence the strength or direction of the proposed relationships. So, to take into account the specific characteristics of the parties, I introduce additional variables into my model. The first is the nicheness of a party. I consider nicheness as a factor that amplifies the effects of issue competition strategies of established parties because it alters the vulnerability of a new party.

The second variable is the ideological distance between the new and the established parties. Depending on the distance between both parties, strategies

are likely to have different impacts: a green party adopting the pro-nuclear position of a new niche party in the same party family is likely to have a different effect than the same strategy employed by a conservative party on the other side of the political spectrum.

The third variable is the competitiveness of the established party: a more successful established party may have a more substantial influence on the vote share of the new party than a less successful party because their policy moves are not only more pivotal in the party system and get greater attention but can also be interpreted as an indication of its competitiveness and its future ability to deliver on its promises through sound policies.

Thus, I examine characteristics of the new party (nicheness), the established party (competitiveness) as well as the relationship between the two parties (ideological proximity).

Beyond these variables, there are other influences on the electoral outcome of a new party. For instance, the electoral system of a party system has to be taken into account: Electoral systems determine how individual votes are transformed into seats. Thus, they provide the crucial link between micro and macro phenomena. Another significant influence is the median voter's position because this variable represents the voter distribution. Since the influences of these variables do not directly affect the main relationship I am studying, I consider them as control variables and discuss their implications and measurement in the method section of this book.

3.2.2.4 Nicheness

Spatial competition revolves around a fixed, uni-dimensional axis, commonly identified as the left-right dimension, but not all new parties do so (Lucardie, 2000): Instead, some new parties introduce new issues to the agenda, which are not part of the classical left-right spectrum. These new niche parties represent a group of special cases. Therefore new parties should not be equated with niche parties. Rather, niche parties are a particular manifestation of the new party phenomenon. To distinguish niche parties dichotomously from all other parties in the party system seems too crude; instead, I follow authors such as Bischof (2017) and concretize nicheness as a property that parties can exhibit to varying degrees.

In the most concise form Meyer and Miller (2015) define a niche party as a party, which "emphasizes policy areas neglected by its competitors" (p. 261). Potentially, the universe of neglected issues is infinite. Therefore, limiting

the study conducted here to individual issues, like ecology or migration, does not make sense. Instead, I compare the new party's offer with the offer of all other parties in the party system on all issues to determine a party's degree of nicheness.

However, the left-right dimension is generally regarded as the central axis of political conflict, so by definition, these issues are not considered niche issues. So, nicheness revolves explicitly around issues not part of the left-right dimension. Therefore I do not see a moderating effect of the new parties' nicheness on the influence of positional competition:

H 3a. *Parties' nicheness has no impact on the influence of positional strategies.*

Concerning issue competition, I see a moderating effect of nicheness: Potentially, new parties that have a differentiated offer compared to the average of the other parties are likely to be more vulnerable electorally than new parties that hardly differ ideologically from the established parties. While the electoral success of a new niche party depends strongly on its ideological specificity, this is not the case for new parties that have been successful with a mainstream electoral program. This leads to the following hypothesis:

H 3b. *High degrees of nicheness boosts the the impact of issue competition strategies.*

New niche parties rely on voters who support the new party because of its capacity to address neglected issues and bring them to the public agenda. Therefore, a change in the issue salience of established parties directly affects a new niche party's raison d'être. The vote for the new niche party may have been without an alternative, but this changes abruptly as soon as the established party adjusts its issue salience. Therefore, I assume that high nicheness boosts the impact of the issue position strategies, especially the engagement strategy.

3.2.2.5 Ideological Proximity of New and Established Parties

Besides nicheness, the ideological proximity between parties is an important feature that influences competition between parties. The ideological similarity between parties can be captured in different ways; I refer here to the party families of the parties involved as a form of a priori judgment in the sense of Mair (2001).

Specifically, this means that if two parties are competing in the same party family, group of like-minded party families, or ideological bloc (Adams et al., 2009), the strategy of the established party is likely to have a different effect than if the two parties are more distant from each other.

With regard to positional competition, I assume that parties belonging to the same party family or ideological group should be highly susceptible to the strategic policy moves of their rivals because both parties compete for the same voter milieus. If an established party decides to adopt the position of a new competitor, voters have no reason to vote for the new party anymore. Changing the voting intention should be particularly easy in this case, as both parties are pretty similar. Therefore, adoption should lead to a smaller vote share of the new party than the confrontation strategy. This is in line with hypotheses 1a, 1b, and 1c, but adds the ideological distance as an intervening variable, which boosts the effect of the strategy:

H 4a. *Ideological similarity boosts the impact of positional competition strategies.*

Therefore, I expect that the confronting strategy's effect favoring the new party's vote share and the negative effect of the adopting strategy will be more pronounced for parties with a similar ideological orientation.

Regarding the strategies of issue competition, the impact of ideological proximity is more complicated because issue ownership and the public agenda play a role too.

I assume that if both parties share the same ideological bloc, the established party has an issue ownership advantage because it has time to build a track record and gain voters' trust. Accordingly, the voters are more inclined to vote for the established party. Conversely, if the established party lowers its emphasis on the issues of the new party, it sends a clear signal that these issues are insignificant. Therefore, voters who trust the established party in this ideological segment are less likely to vote for the new party.

In contrast, an engagement strategy leads to a stronger emphasis on the issues of the new party. If even the established party takes up these issues, this signals that the issue is indeed relevant. In this case, the new party is more likely to increase its vote share.

The reason for this is that an engagement strategy shapes the competition in this ideological group around the issues of the new parties and gives them more public attention. The new party has an advantage as the original representative of this issue. The avoidance strategy should be associated

with a lower vote share for the new party because the downplay of the issues prevents this.

Of course, these contradict hypotheses 2a, 2b, and 2c. Therefore, I assume that the ideological proximity of the parties changes the direction of the proposed relationship:

H 4b. *The effect of issue competition strategies on the vote share of new parties changes direction if parties are ideologically close.*

In other words, I assume that the engagement strategy (according to hypothesis 2a) only leads to a loss of votes for the new party if both parties belong to different ideological blocs. The same restriction by the intervening variable "ideological proximity" of course also applies to the avoidance strategy, which (according to hypothesis 2c) leads to a gain of votes for the new party.

3.2.2.6 Competitiveness of the Established Party

Finally, I assume that the established party's previous vote gains and losses will influence its strategies vis-à-vis the new contenders. The idea that previous vote shares influence the ideological position of a party is well known (Abou-Chadi and Orlowski, 2016; Abou-Chadi and Stoetzer, 2020; Harmel and Svåsand, 1997; Somer-Topcu, 2009). Abou-Chadi and Orlowski (2016) note that "past elections do not only signal voters' preferences but also the degree of competitiveness that is to be expected in a subsequent election. This, in turn, will affect party strategies" (p. 869). So, based on these studies, I consider previous vote gains and losses of the established party as a signal to voters about the prospects of that party to implement its position and issue priorities. Hence, the competitiveness of the established party likely moderates the effect of its strategies.

I formally summarize these assumptions in the following two hypotheses:

H 5a. *The effect of positional competition strategies on the vote share of new parties changes direction if the established party lost votes in the previous election.*

H 5b. *The effect of issue competition strategies on the vote share of new parties changes direction if the established party lost votes in the previous election.*

I assume that the previous vote gains and losses of the established party influence the direction of the effect of its position and issue strategies. Electoral

success in the previous election signals to the electorate that the established party is competitive and thus able to implement the position it represents or tackle the emphasized issues. In this case, both the adoption and the engagement strategy lead to losing votes for the new party. This is in line with hypotheses 1a, 1b, and 1c and hypotheses 2a, 2b, and 2c.

The situation is entirely different when the established party has lost votes: In this case, it is highly doubtful whether the established party is competitive and will implement policies that match its profile after the election. Therefore, I assume that both the position and issue competition strategies have an opposite effect on the electoral success of new parties following a loss of votes by the established party.

3.3 Summary

In this chapter, I have presented Meguid's position, salience, and issue competition theory, which plays an essential role in this project. The subsequent discussion showed that the causal mechanism she proposed is based on issue ownership. However, recent empirical findings challenge this concept. Therefore, the micro foundation of the theory requires a supplement, which I found in the issue competition theory. Furthermore, I have argued that niche parties constitute a special group within the larger group of new parties. Therefore, I attempt to generalize Meguid's PSO theory.

By broadening the scope of the theory from niche parties to all new parties, I have a more comprehensive range of cases to analyze and am no longer bound to a few niche issues. Instead, I recognize the multidimensionality of party competition. To this end, I conceptually distinguish between positional and issue competition strategies, where positional competition revolves around the left-right dimension. In contrast, issue competition is not bound to assumptions about important issues.

Furthermore, I integrate party characteristics as moderating variables in my model. Besides the nicheness of the new party, I identify ideological proximity and electoral competitiveness of the established party as essential factors that may alter the fundamental relationship between the strategies of established parties and the vote share of new parties.

This further development takes up theoretical developments and empirical findings in equal measure. By developing a model and deriving hypotheses, the theory is accessible to empirical testing, which I address in the following chapters of this book.