Why are there so many parties? Understanding Changes in the Canadian Federal Party System

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Available at: https://works.bepress.com/renan/3/
At least three parties have contested every Canadian federal election since 1925. Yet, the existing comparative literature fails to explain why Canada has so many parties compared to other countries or recent changes in the party system. We can accommodate changes in the Canadian party system by focusing on strategic incentives that lead to new, non-centrist, parties forming and attracting votes. These incentives exist both when the winner of an election is widely expected and when there is a chance of a minority government. These incentives are reinforced by voters’ lack of clarity over which two parties are competitive in their riding.

Paper originally prepared for presentation at the 2006 Annual Meeting of the Midwest Political Science Association. We appreciate the research assistance of Rob Wilson. We would like to thank Mark Pickup, Nelson Wiseman, participants on our panel at MPSA, and three Whites: Graham, Linda and Steve for their comments on earlier drafts of this paper.
I. Introduction
The Canadian party system has defied many attempts to understand it relative to either the American party system or to European party systems. Particularly puzzling has been that Canada’s first past the post (FPTP) electoral system has produced a predominant centrist party, the Liberals, and multiple opposition parties. The presence of these parties contravenes Duverger’s Law, which posits that there should be only two parties in countries with first past the post electoral systems (Duverger [1954] 1972, Riker 1982).

Instead of the two parties predicted by Duverger, the presence until 1993 of two strong parties in the center and a small party on the left tempted scholars to categorize Canada, along with a handful of other countries, as having a two-and-a-half party system. This categorization takes into account the number of parties as well as the relative size of each of those parties, but ignores or downplays the historical incidence or the patterns of competition between the large parties and the small party in the system. Australia, Austria, Canada, Germany and Ireland have or had party systems that fit the same description, but as Ware (1996) concedes, these systems have little in common beyond the relative strength of the major parties.

The weakness of the two-and-a-half categorization is further exposed by recent changes in these party systems. There appears to be no common chain of events that led to the entrenchment of additional parties in Austria, Germany and Ireland let alone the Canadian “return” to a two-and-a-half mode of competition with the merger of the right-wing parties in 2003, or the “two-and-two halves” description that includes the Bloc Québécois.

II. Theory
So, what explains the Canadian party system? Social cleavages that buttress party systems elsewhere have never done a very good job explaining Canadian political competition, and perform even worse when attempting to explain changes in the party system. Pure Downsian office-seeking models of party behavior also fail to adequately describe the Canadian party systems.

We offer an explanation that centers on a series of reinforcing incentives for parties to split or maintain their independence from other parties in the shadow of a hegemonic political power and when there is a chance of a minority government. These centrifugal incentives stem primarily from parliamentary norms that demand party discipline and discourage multi-party coalitions (Lipset 1954, Epstein 1964, Pinard 1973). These norms stifle meaningful intra-party diversity and provide potential payoffs to small, ideological parties when there is a minority government. The possibility of these payoffs and other rewards in Canada’s federal system causes existing parties or party leaders to be threatened by potential competition with stances that are more extreme or more popular within certain regions. Consequently, we find elite politicians pursuing (and often realizing) political goals inconsistent with pure Downsian office-seeking behavior.
In other countries, the presence of these elite-level incentives might be balanced by the tendency of voters who prefer a third-place candidate or party to vote for a different alternative with a better chance of winning (Duverger’s “facteur psychologique”; Duverger, 1958: 256). However, in Canada, the requirement that voters within each district must be able to identify the top two contenders is not normally met (Kselman and Niou, 2005). Furthermore, studies have consistently shown that the second choice alternative tends to be the party most likely to be forming the next government, the vaunted Liberals (see, for example, Blais et al., 2002; Cross and Young, 2002). As a result, we find non-centrist parties nominating candidates and winning federal seats without any chance of winning majority control of the government over several elections despite Lemieux’s (1989) assertion that third parties who cannot control government will not survive.

The experience of non-centrist parties forming and winning seats without much chance of winning majority control of the government is not unique to Canada (see Strom 1990). However, the success of these parties in a FPTP system like Canada is unusual and does not seem to be readily explained by regionalism (see Kim and Ohn, 1992) or federalism.

By focusing on the incentives that lead to new, non-centrist, policy-oriented parties forming and attracting votes, we can accommodate changes in the Canadian party system. In any system, there are incentives to vote sincerely for the party most closely reflecting your policy preferences whenever it appears that one party is likely to be the clear winner. In such circumstances, there is no point in voting strategically because the outcome of the election cannot be directly influenced by strategic voting.

According to the calculus of voting (Riker and Ordeshook, 1968; Black, 1978), when the election is close between two (or more) parties, we should expect voters to defect from noncompetitive parties to prevent their least-favored candidate to win. At the local constituency level, this logic applies to Canada. At the national level, though, when two parties are closely matched and a minority government appears likely, the there are significant policy payoffs to a small party whose support may be necessary to pass legislation. Consequently, it is enticing for non-centrist candidates to run and receive those payoffs, and for their supporters to vote sincerely. These payoffs can only be received when there is a minority government since Canada has never had a peace-time federal coalition government.

The presence of these incentives gives non-centrist politicians with local or regional bases of support reason to run, putting pressure on the existing opposition parties to defend their flanks rather than pursuing a centrist strategy even when the governing party appears to be vulnerable. These strategies are successful when implemented by scavengers targeting a weak party that is failing to hold office and/or provide policy payoffs to some supporters. These threats also explain why we find Canadian opposition parties eschewing moderate strategies even as observers bemoan their reluctance to take on the Liberals (for example, Simpson, 2001). Elsewhere, small parties with similar ideologies are often reluctant to target similar parties in order to maximize support for particular blocs (Schofield et al., 1998), or potential coalition partners – but such incentives are absent in Canada.
As a result, we find splits on both the right and left of the Canadian party system while mergers are very rare. However, this does not mean that parties will never try to challenge the Liberals. On the contrary, when circumstances such as scandal create an opportunity to defeat the Liberals, we might expect one or more parties to pursue a centrist strategy to capture the median voter or merge with another party to mount a national challenge. We emphasize that when these circumstances are absent, the incentives to deter threats from the flanks\(^1\) are often more powerful than the urge to mount a campaign against the Liberals. The threats from more extreme or regionalized parties illustrated by a pattern of party splits within the opposition and the emergence of new parties focused on winning the support of voters far from the federal median (see Table 2).

In this paper, we first provide some background on the Canadian case. We then show how this case poses a conundrum for comparative scholars, and the limits of Canadian “textbook” explanations. Recent scholarship, though, has helped scholars better conceptualize the goals of political parties to better understand a range of strategic decisions and the success rates of those strategies. We base our explanation on these new theories and then review the empirical evidence, focusing on the changes in the Canadian party system.

**III. Background**

Currently, four parties hold seats in the federal parliament in Ottawa. One centrist party, the Liberals, is competitive most everywhere in Canada. On their right, the Conservatives enjoy a plurality of seats and control a minority government. On the left, the NDP nominates candidates in every riding, and enjoys persistent strength in some urban areas and in the West. The Bloc Québécois has been very successful in Quebec, but does not nominate candidates outside of Quebec, eschewing the pursuit of governing power for the rewards of promoting Quebec sovereignty. A few small parties, including the Greens, nominate candidates, but have never won representation.

Historically, the Liberals have dominated the competition. The Liberals defy Duverger’s claim that “the fate of the Centre is to be torn asunder, buffeted and annihilated” (1959, p. 215) by winning enough seats to form the government for 79 of the last 110 years. Scholars credit the party’s ability to adapt to election-specific circumstances with centrist policy stances and promises that the leadership of their party is best suited to run the country in order to win the median voter in many single-member districts (or ridings) across all of Canada (Bowler, Lanoue and Savoie, 1994; Clarkson 2005).

The Progressive Conservatives (and their forebears) have been the only party other than the Liberals to form a majority national government. After controlling the government for nine years starting in 1984, the Progressive Conservatives (PCs) imploded in 1993 after two ideological parties with regional bases of support emerged, Reform in the West and the separatist Bloc Québécois (Clarke et al., 1996). The Liberals emerged from the 1993

\(^1\) In multi-dimensional space, a position distant from the median voter is on a flank. This applies to traditional spatial left-right issues as well as regional concerns that conflict with the median voter’s concerns.
election as strong as ever. The right consolidated in late 2003 after much resistance from activists and was able to defeat the incumbent Liberals in 2006 after a corruption scandal embroiled the government.

The NDP and Bloc have both established themselves as stable and consistent voices for particular ideological positions. The NDP’s (and before it, the CCF’s) consistent positioning on the left has prevented the party from challenging the larger parties for control of the federal government, but they have enjoyed significant influence during periods of minority government. Similarly the Bloc, by advocating separatism in Québec, has chosen policy promotion over the benefits of office. In the recent minority governments, however, it has also enjoyed influencing policy.

IV. Conundrum

The Canadian party system is a conundrum for scholars seeking to explain the number of parties that contest the elections and bases of support for those parties. Countries with analogous party systems, or a similarly predominant party, do not share many social or institutional characteristics with Canada. Countries that have comparable social cleavages do not have similar party systems. Few comparative studies of party systems can readily explain the size and/or the composition of the Canadian party system. What features of the party system are puzzling depend on the approach they employ; whether they are scholars emphasizing social divisions in explaining party systems, institutional agency, or those who stress the context of the competitive environment.

A. Social Divisions mapping onto Party Systems

Historically, the dominant perspective on studying comparative party systems has been through a lens that focuses on the social bases of a system’s partisan divisions and how the parties’ structural organization articulates and aggregates these social divisions in the political arena. This tradition is rooted in scholarship seeking to make sense of the efforts – and struggles – of European countries’ to establish stable democratic institutions. A central feature of these analyses is a direct connection from social divisions in society to the number of parties and how the parties are organized. Party systems owe their form to events leading back to the establishment of the nation, the state’s industrialization, the enactment of universal suffrage or particular strategic alliances or rivalries between social classes (Duverger, 1972; Lipset and Rokkan, 1967; Sartori, 1976; Luebbert, 1991; see also Harmel and Janda, 1976; Lijphart, 1981). The historical context explain why certain parties took on particular forms and/or planted their roots in class (or some other social) divisions. Concurrent developments in other countries led to cross-national similarities (von Beyme, 1985). Some path dependent cleavages persist despite social changes, but when change occurs, it is linked to social disruptions like the rise of television and the erosion of class stratifications (Kirchheimer, 1966). Many of these efforts struggle to include the North American party systems or deliberately skirted the cases altogether. Instead, a large body of literature is devoted to explaining why the North American party systems are so different than Europe’s (see Lipset and Marks, 2001; Iton 2000) but many
of these mechanisms do not enable scholars to differentiate between the multiparty system in Canada and the two-party American system.²

Like the American parties, the Liberals (and, through much of the post-war era, the Progressive Conservatives) seemingly cross (or “broker”) more social divisions than they reflect. While American scholars pointed to strong bonds of party identification between a voter and one party, this has not been the case in Canada (Leduc et al., 1984; Clarke et al., 1996). The absence of a strong sense of loyalty between the Liberals and the preponderance of Canadian voters makes the Liberals’ consistent electoral success puzzling, but the greater challenge for social-based party system theories is in accounting for the smaller parties in Canada. These smaller parties have emerged, and, in some cases, disappeared, faster than corresponding social transformations.

Even though the United States might appear to have had as great or greater social and regional schisms (Elazar, 1966), and Canada’s social divisions are seen as relatively less pronounced than in some European democracies, the ‘half’ parties in Canada are often explained as the articulations of regional peculiarities. For sure, there have been parties making explicit regional appeals like Reform, or finding concentrations of supporters in specific regions like the Progressives. Consequently, third parties are seen as an expression of distinctive regional political cultures of the regions (Wiseman, 2002) or of peripheral discontent with the dominance of the centre (Macpherson, 1953). Textbooks, including Bickerton and Gagnon (2004), Brooks (2003), Dyck (2008) and Archer et al. (2002), all explain the Canadian party system using a social framework, emphasizing the way the multiple parties reflect distinct subcultures or stressing ethnic or regional grievances as the cause of the multi-partyism.

These regional cleavages are exacerbated by a FPTP electoral system that rewards parties that have regionally concentrated support and punishes parties like the Reconstruction Party (1935) whose supporters spread across the country (Milner 2000). The combination of FPTP with regional divisions does appear to lead to multiparty systems in other countries. Kim and Ohn (1992) identified regionalized social cleavage with plurality single member districts in Canada, India and in three elections in two other countries. All had more than two parties. However, during the period of study (1968-1980) no Canadian party relied on region-specific appeals. As a result, the authors concluded that the Canadian case remained “an exception, still requiring a further explanation” (fn. 13). Today, regionalism may explain support for the Bloc, but does not account for three parties in the rest of Canada. The enduring success of a party like the NDP, with support across regional and class lines, is highly problematic.

The biggest weakness of the regionalism argument explaining why there are so many Canadian parties is that there is no social cleavage that appears uncross-able. Until recently, the linguistic divide between Quebec and the rest of Canada was successfully and routinely crossed by more than one party. Salient issues such as health care and gay

² So stark the contrast between the American party system and the Canadian party system that scholars, starting with an early analysis by Lipset (1954), argued that Canada would be better served by more parties or less unified parties like the in the United States.
marriage are national concerns even if the primary jurisdiction is provincial. Regionally concentrated concerns play a role in generating new parties like the Progressives, CCF/NDP, Social Credit, the Bloc Québécois, and Reform/CA, but the expression of regional discontent as an additional opposition party is not automatic. Likewise, the persistence of regionally concentrated parties is not predicated on the durability of these concerns, and parties like Social Credit and the CCF/NDP might indeed persevere outside of one region after the initial set of issues were resolved. This evidence does not suggest that distinct political cultures or regional demands do not exist, but rather that factors other than social divisions or different political cultures must play a role in determining when small parties enter, and the success we observe since the 1920’s. We first examine the role of Canada’s political institutions.

B. Institutional explanations for the party system and Duverger’s Law.

A second approach to parties and party systems emphasizes the centrality of electoral office seeking across all cultural, historical and institutional contexts. This approach to parties focuses on the centrality of electoral competition and the desire of politicians to obtain and hold onto power. Parties are vehicles for candidates to contest elections. Any meta-function they perform, such as integrating the state and society or bridging social divisions is either coincidental or a by-product of office-seeking politicians’ ambitions. Once in office, the parties solve the collective action problems needed to achieve the political goals necessary to re-elect a majority within the institutional framework (Aldrich, 1995). When the parties solve the collective action problem (before or after the election), how many parties there are, how unified those parties are, and whether the parties will join the governing coalition stem from electoral incentives created by the country’s institutions (Lijphart, 1999; Powell, 2000).

New parties form and old parties are discarded when existing parties fail to provide office-seekers with the resources they require to launch winning election campaigns. In a system of single member districts requiring a plurality of the vote to win, Duverger’s law predicts that there will be only two parties through two mechanisms. The first, the mechanical effect, leads to third parties getting many votes but winning few ridings, as the Progressive Conservatives did in 1993. As voters (potential candidates and contributors) realize that the smaller party is unlikely to prevail, a second, psychological effect predicts that they will support only the strongest parties (see Blais and Carty, 1991). As a result, support for all but two parties evaporates. In Downs’ conception of party competition under first-past-the-post, the two parties would converge towards the median voter (Downs, 1957) until just before the median voter would be indifferent between the two. However, when there is a threat of additional parties entering, Palfrey (1984) showed that the parties may not converge (see also Callander, 2005; Lee, 2007).

Duverger (1959), Rae (1967), Riker (1976, 1982) and others explained Canada’s multiparty system by claiming there were really only two competing parties in each

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3 Amorim Neto and Cox (1997) and others provide an important extension to Duverger’s Law that district magnitude affects how many parties are able to run and the success of minor parties. As district magnitude increases, so too do opportunities for minor parties.
Since Duverger’s Law allows one or more local parties to supplant national parties because concentrated support in these localities renders the mechanical effect irrelevant, the two competing parties need not be national parties. (see Rae, 1967). This can be expected in circumstances where the national opposition party is too weak to be a vehicle for localized discontent (Pinard, 1971) that overcomes the psychological effect. In circumstances like these, we find parties reaching non-compete agreements in certain districts in countries like Australia, but not in Canada. If more than two national parties nominate candidates in every riding, Rae and Riker dismiss a majority of these candidates as being in ridings where the candidacies are widely assumed to be hopeless.

Common knowledge of which candidacies are hopeless and which are competitive is necessary for strategic voting caused by the psychological effect (Kselman and Niou, 2005). According to Kselman and Niou, voters will only avoid small parties if they share knowledge about which two parties are the most competitive parties in each district. This insight is valuable in the Canadian context where published election polls for individual ridings are exceedingly rare. The identity of the sitting MP (or even his or her party affiliation) is not well known to casually attentive voters in many circumstances.

Contrary to Rae and Riker’s supposition, Gaines’s (1999) research suggests that even if voters are aware of which candidates are competitive, there are more than two competitive parties in most ridings. Gaines found that only the Atlantic provinces and a two-decade period in Alberta conform to Taagepera and Grofman’s (1985) claim that each province enjoys a two-party system. Gaines found that the NDP’s performance does not strongly map onto regional, class, ethnic or linguistic divisions, even with its provincial-level success on the prairies, and until 1993, French parties in Quebec never fared well in federal elections.

There may be other institutional reasons why there are more than two parties. Willey (1998) and Hauss and Rayside (1978) found that parliamentary systems are more likely to have more parties than presidential systems. Dahl (1966) observed that the top prize in a system will assert pressure on the number of viable parties. Stewart (1980) concluded that being Prime Minister was such a prize, largely because of the pork and patronage powers held by the Prime Minister. Since the Prime Minister’s power is greater in Canada than in most other Parliamentary systems, one would expect that the desire for this prize would limit the number of parties.

Federalism is associated with multiple parties. Indeed, initial success at the provincial level gave the Progressives and Social Credit a springboard to enter federal politics. Most provinces have been governed by a minor party. Several cross-national studies have concluded, though, that over-time, federalism may have a detrimental effect on minor party success (Harmel and Robertson, 1985; Blais and Carty, 1991; Meguid, 2005; Willey, 1998). Yet, Gaines (1999) speculates that the presence of sub-national offices in Canada, especially those that use different electoral systems or districts, may account for the “extra” parties. Resources from one level, including federal campaign subsidies, may

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4 With the exception of a few ridings before World War II where Liberals and Progressives or Labour coordinated.
sustain small parties at other levels of government. Some parties have (or had) integrated provincial and federal party organizations in at least some provinces, and mobilize the same assets regardless of strategic circumstances.

The federal system may also supply incentives for local or regional parties to maintain their independence rather than uniting with a national player (Chhibber and Kollman, 1998). Public financing of campaigns in Canada may also provide incentives for small parties to enter federal campaigns. Since 2003, a party with just 2% of the national vote, or 5% in ridings where it ran candidates, is entitled to an annual allowance. Since 1974, both registered federal parties and independent candidates can receive reimbursements for campaign expenses if they cross relatively low set of thresholds (5% of the national vote, 15% of the vote in a riding after 1974, 10% after 2003; see Young, Sayers and Jansen 2007; Dyck 2008)

C. Strategic-Contextual explanations of the party system

Institutional mechanisms can explain why Canadians are represented by more than two parties without referencing the linguistic divide or party strategies, but these institutions cannot predict how many parties we should expect or the success of those parties. To explain the number of parties and their relative levels of success, scholars have had to look beyond institutions, and even social cleavages, to the behavior of the actual parties. Strategic decisions by parties (or candidates) influence the number and the size of certain parties, especially given parameters delineated by social and institutional features. For instance, one of the main determinants of the success of fringe parties in Europe were the tactics and positions taken by other parties in the system in response to their entry (see Kitschelt, 1994, 1995; Rohrschneider, 1993, Meguid, 2005).

We consider Riker’s restatement of Duverger’s Law to be another example of such an approach. In order to accommodate India’s multiparty system dominated by the Indian Congress Party, Riker argued that Duverger’s Law would not hold if one party was regularly the Condorcet winner. The Condorcet winner defeats all other alternatives in head to head comparisons. At least until the early 1990’s, the centrist-nationalist Congress Party was assumed to be such a Condorcet winner in India. Opposition voters to the left preferred Congress to opposition parties to the right and opposition voters to the right preferred Congress to parties on the left. Consequently, opposition to the Indian Congress Party was unwilling or unable to unify into a second party able to mount serious challenges to the Congress Party. Certain Congress would win, voters had little incentive but to vote sincerely for their favorite party, no matter how extreme.

Dobell’s (1986) investigation of India and Canada confirmed that the “extra” parties are a function of the weakness of one party competing against the predominant center and the persistence of ideologically-motivated parties on the left.\(^5\) Although the ideological space dividing the Canadian parties is rarely as clear as those that divided the Indian parties, shifting opposition preferences rarely are expressed in one direction, splitting the

\(^5\) An important dissenting view is taken by Chhibber and Kollman (1998) who link the number of parties in the US and India to economic centralization and increasingly national political concerns.
opposition to the Liberals. Many voters and party activists on both the right and the left would rather vote for the Liberals than another opposition party. This was the case throughout the 1990s, when most Progressive Conservatives party members preferred the Liberals to the right-wing Reform Party as their second choice (see Cross and Young, 2002). Blais et al. (2002) found that only one in five NDP voters indicated that their second choice was the Alliance or the Conservatives, and even fewer Conservative and Alliance named the NDP as their second choice. In Quebec, a plurality of supporters of parties other than the Bloc indicated that the Liberals were their second choice.

These arguments illuminate why opposition to the Liberals has not marched in common cause to defeat the predominant party, as Downs and Duverger might suggest. If Liberal hegemony in the center is the main causal mechanism driving small party support, though, we should find diminishing support for small parties when the Liberals are in danger of losing their parliamentary majority. In these election campaigns, we should expect voters defecting from small parties to support the second-choice party, the Liberals, and prevent their least-liked party from winning.

A cursory look at recent election returns suggests that, in the aggregate, the NDP does not lose support when the Liberals need help to foil a right-wing challenge. Since the NDP first ran in 1962, there have been seven elections where the spread between the Liberal popular vote and the second largest party has been less than 8% (1962, 1965, 1972, 1974, 1979, 2004 and 2006). We only observe aggregate support for the NDP decreasing once, in 1974 (see table 1). Even in 2006, when a prominent leader like Canadian Auto Workers chief Buzz Hargrove actively encouraged NDP supporters to vote Liberal to prevent a Conservative victory, NDP vote share went up by nearly two percentage points nationally. In auto-union friendly Ontario, the Liberals still lost 21 seats, including five to the NDP.

There were eight other elections during that period in which the two largest parties were separated by more than 8 percentage points. Even though we might expect the NDP’s aggregate vote share to rise given the relative lack of uncertainty over who would triumph on election day, NDP vote share actually fell in five elections and only gained more than two percentage points while rebounding from the electoral earthquake in 1993.

This evidence indicates that presence of a Condorcet winner may not be necessary, and is certainly not sufficient, to explain why there are parties on either flank (plus, arguably, a separatist party on a second, nationalist dimension). Especially problematic from a Downsian point of view is the success of parties like the NDP who do not seek to challenge the Condorcet winner in the center. Successful large parties tend to locate themselves between the median ideal of their active supporters and the median position of the general electorate (Adams, Merrill and Grofman, 2005). In Canada, we do not observe parties forming close to the median position of the electorate (or the Liberal Party). To accommodate these parties and fully account for the threat of new party entrants along those flanks, we need to relax our assumptions about the party’s ambitions (Palfrey, 1984).
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V. Office and Policy-seeking parties
Rather than assuming that all parties are focused on winning and holding office, Strøm (1990) proposed a theory of parties to allow for a wider range of party goals. He argues that parties can be categorized within a space demarcated by three distinct objectives: office, policy and votes. Vote-seeking or vote-maximizing parties seek to win elections and control government. Office-seeking parties are focused on particular private goods or ministerial portfolios and seek to win enough votes to ensure their participation in government even though they may not obtain, or even aspire to, controlling all of the government. Both vote- and office-seeking parties are willing to sacrifice policy-goals in order to realize these higher ambitions. In contrast, policy-seeking parties focus on advocating an issue or an ideology. Policy-seeking parties are commonly found in multiparty systems. These categories are polar types, so most parties have a mixture of these goals and fall within the triangle formed by these types (see also Mueller and Strøm, 1999; Wolinetz, 2002; Adams, Merrill and Grofman, 2005).

Recent work by Laver and Schilperoord (2007; see also Fowler and Laver 2008) go beyond Strøm’s tripartite framework to examine how different party strategies (rather than party types), in the context of different thresholds for party entrance and exit, can affect the number of parties in a system and determine the success of those parties. Laver and Schilperoord employ computer modeling to see how four ideal types of parties interact: Sticker parties never change position (modeling an ‘ideological’ party). Their strategy pays little attention to the positions of the other parties and their success is barely affected by the other parties’ stances. Aggregators set party policy on each dimension to the mean preference of all party supporters (modeling a ‘democratic’ party leader). Predators identify largest party and attack it by moving towards their positions (Laver and Schilperoord, 2007: 5). Hunter parties are insatiable poll watchers and vote seekers. If the last policy move increased support, they repeat their move. If not, they make a random move in the opposite direction. In their model, the Hunter strategy is the one which produces the most votes and echoes descriptions of the Liberals’ persistent search for the median Canadian voter. Importantly, in Laver’s simulations the parties do not necessarily converge to the median, nor do stickers disappear.

A. Explaining variation in party strategies or types.
In Strøm’s (1990) analysis, a country’s institutions provide incentives for party behavior. As we discussed above, Canada’s federal organization and first-past the post single member districts all appear to influence the number of parties. In this section, we show how the Canadian reluctance to form a coalition government also has important implications for party behavior, especially in light of Strøm’s scheme. When there is a

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6 Harmel and Robertson (1985, see also Powell 1982) proposed a similar framework, categorizing parties based on whether they see themselves as contenders for office or merely promoters of a viewpoint. Promoters do not intend to win any seats in that election and may not ever allow themselves to dream about a day when they win even a seat, but instead try to influence policy-making indirectly by trying to put their views on the agenda.

7 The Hunter category shares some similarities with the Downsian vote maximizing party but differs in that Laver and Schilperoord posit strategies which have lower expectations about the information held by political actors. Questions about leader’s level of information aside, it also seems a good match with the brokerage explanation of Liberal strategy (Clarke et al., 1984).
majority government, the opposition has a negligible impact on policy-making as all federal policy-making is concentrated in the hands of the prime minister. Even compared to other Westminster systems, party discipline in the Canadian House of Commons is remarkably strong (Epstein, 1964; Heard, 1991). The whips put intense pressure on the MPs to toe the party line on virtually every vote, giving some MPs the impression that every vote on a government bill is a matter of confidence (Forsey and Eglington, 1985; Heard, 1991).

Consequently, the policy influence differential between the party in government and parties in opposition is very high when there is a majority government. But when no party wins a majority of seats in Ottawa, minority governments form and pass legislation with the support of other parties on an *ad hoc* basis. The reluctance of Canadian parties to make any sort of formal governing deal causes the distinction between office- and vote-seeking parties to dissolve since a party must pursue a vote-maximization strategy to gain office. Consequently, scholars can locate Canadian strategies along a line running from a pure vote- and office-seeking strategy to a purely policy-seeking strategy.

We can confidently locate the Liberal Party near the office-seeking end of line. Canadian scholars often call the Liberals a “brokerage party,” because of its appeals to a wide variety of people using the mechanics of power to address narrow interest demands. The diversity of these demands often causes the party to pursue policies with very little coherence or underlying ideological motivation (Carty, Cross, and Young, 2000). Many small Canadian parties, including the Progressives, CCF/NDP, and the federal Social Credit, have been policy-oriented *Sticker* parties and should be placed near the opposite end of the line.

In Canada, these policy-oriented parties can be more than mere promoters. When there is a minority government, these parties can directly influence policy-making without pursuing centrist *Predator* strategies targeting the Liberals. Under minority governments, a small party can directly affect policy when its votes are needed to provide a majority for major legislation. Indeed, such a scenario may represent the *best* opportunity for ideological parties with to directly influence policy. So, when the outcome of an election is in doubt and it appears that a minority government might form, the possibility of directly influencing government policy provides an incentive for small party supporters to remain loyal.⁸

In the U.S., the major parties can readily co-opt the appeal of the minor party by nominating a candidate sharing many of the same views as the minor party (Rosenstone, Behr and Lazarus, 1984). Local co-optation of a small party with regional appeal is only possible because the American parties do not demand unity on most votes. If the entire Canadian party (or the party leadership) is not willing to commit the entire caucus to supporting a cause, only an independent or small party candidate can vote for the issue – and offer to support the government on some votes (see Carty, 2002). Voters who hope to

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⁸ This incentive may only be relevant where the small party has a realistic chance of winning a riding. Since the total federal vote share may strengthen the party in negotiations with the minority government, we do not provide geographic restrictions on this incentive.
shift the government’s policy closer to their own ideal might hope that a minority government will take office, enabling the independent or small party to force the government to back their concerns in exchange for support on other legislation. Indeed, recent NDP campaigns have emphasized the party’s influence on social welfare policy in the event of a minority government, even one led by the Conservatives. This indicates that minority governments in Canada are both willing and able to form ad hoc winning coalitions on legislation without any requirements of connectedness.

The strength of this appeal to small party support when the major contenders appear to be closely balanced is unusual to Canada. In other systems, a close contest between large parties is an incentive to vote strategically to influence the race for a national majority or plurality (see Felsenthal, 1990; Gschwend, 2004), so small parties lose support to larger parties much like “third parties” lose support to major candidates in Presidential elections. In theory, the only scenario in Canada where a small party supporter would have an interest in voting strategically for a party contending for the national leadership would be when the voter thinks that their riding’s result might influence which of the large parties will have a plurality and be asked to form a government. Yet, even in such a scenario, in 1972, when the Liberals won only two more ridings than the Conservatives, the NDP won 31 seats (17.7% of the vote) and Social Credit won 15 seats (7.6% of the vote).

These election results suggest that small parties who continue to articulate the concerns of localized or regional supporters may enjoy the voters’ support regardless of the balance of power between the largest federal parties. This support, combined with fiscal rewards for winning five (or two, or ten, or fifteen) percent of the vote, for becoming an official party, and any provincial-level rewards, provide ample incentives for these parties to run.

B. Evolutionary selection into policy-oriented parties

Over time, these incentives influence opposition parties into becoming more policy-oriented rather than converging towards the center as predicted by Downs and Duverger. Prospective candidates are recruited by local parties to run, often from among a pool of activists who have been involved in previous campaigns or other local notables. If we assume that these candidates are of two types, one primarily interested in participating in the government, and a second primarily interested in advocating a set of policies, they will self-select into different party types (Thorburn, 2001). This does not mean that the office-seeker does not have policy goals, but once in office, the prospective candidate must know how he or she would be expected to defer to the party leader. The other type of candidate will be more attracted to the small parties who offer the hope of influence with less painful brokering of principles. Over time, if more office-oriented politicians self-select into the Liberal Party and more ideological- or policy-motivated politicians self-select into the other parties, the Liberals will evolve into a party of office seekers, while the opposition has more than its share of ideologically motivated activists even if most voters are unmotivated by policy (Clarke et al., 1984).
At best, the imbalance of policy-seekers creates parties like the NDP, a consistent voice for social democracy, but one unlikely to ever be more than a niche opposition party at the federal level. At worst, the imbalance creates feuds between office-seeking pragmatists and a diverse set of policy-motivated ideologues inside the party, like those inside the Progressive Conservative party examined by Perlin (1980). These feuds could cause the parties to choose the wrong party leader (an ideologue when the Liberals are weak, or a centrist when the Liberals are popular and sure to win), and may lead to splits. Further, given the importance of policy to party members, we would expect that opposition parties would find it very difficult to compromise those policy goals to pursue a centrist strategy or merge with another party.

VI. Observable implications: party splits and mergers
Where other theories fail to explain changes in the party system, our theory should be able to account for splits, mergers and the entrance of new parties in Canadian party history. In table 2, we review the history of party splits and new party formations since the First World War. We define splits as parties that were formed with the cooperation of current or former MPs from another party. New parties have no recent ties to existing federal office-holders. We define a merger as the joining of an organized part of one party to another existing party. A merger, by this definition, would not include the defection or recruitment of an individual MP by another party.

Looking at the list of party splits and new parties in table 2, we observe that only two minor splits occurred within the government, and two splits that developed with support of MPs in both the government and the opposition. The Reconstruction Party split from the Conservatives in 1935. 172 nominees won nearly 9% of the vote, but only the leader, former Conservative party minister, Henry H. Stevens, won a riding. He ultimately rejoined the Conservative caucus. The second governing party split was the wartime defection of the Bloc Populaire moving away from the Liberals in 1943 on the question of conscription. We find two longer-lasting parties splitting from the opposition, the Credistes, and the CCF, and the defection of part of the Canadian Alliance caucus.

The most significant new parties both started in the west: Social Credit and the Reform Party. We do not classify the Reform Party as a governing party split because the party formed without any high profile defections from the sitting Progressive Conservatives, although Reform’s success in the PC’s western base doomed the PC’s. The other four new parties that won representation in Ottawa enjoyed support from only a narrow segment of society or for a short period of time.

Laver and Schilperoord’s hunter party targets the largest party. Instead of hunters, in Canada we more frequently find the existing parties targeted by ‘scavengers’ targeting the weakest of the large local fauna. The weakest fauna is often in the opposition, but occasionally might be an ailing government. The CCF and the Credistes targeted opposition parties. Arguably, both the Reconstruction Party and the Bloc Quebecois targeted an ailing government expected to lose the following election. In the case of the Bloc, the party formed only after the Meech Lake Accords failed to gain passage (Woolstencroft, 1994), so the prospective calculations of the leaders more closely
matched those of opposition politicians, and the leadership made it clear that their intention was not to displace the governing party and run the government, but to be an expression of Québécois concerns with the rest of Canada.

The Progressive Party’s formation is a little more difficult to classify. Some leaders were in the Unionist government in the years following the First World War. By the time of the party’s formation, it was clear that the Unionist coalition government would not continue (Morton, 1950). Defections from the government were all former free-trade Liberals whose motivations were congruent with their colleagues who joined the Progressives from the opposition benches. Paralleling the formation of the Bloc Québécois, the federal Progressives were closely linked to successful provincial parties.

Given Canada’s first past the post electoral system, it is not surprising that the most successful splits and new parties enjoyed regional or localized support. Parties like the Bloc, Reform, Social Credit, CCF and the Progressives, garnered both electoral and organizational support from provincial parties and/or un-politicized groups in civil society. However, not all of these parties articulated regional concerns with Ottawa like Reform or the Bloc. Some splits, like the CCF, were instigated by politicians committed to a specific ideology ("stickers"), while others, like the Credistes, organized around a charismatic leader.

Historically, the Progressive Conservatives and other parties on the right have been the most frequent targets of new party attacks and party splits. It would be erroneous, though, to suggest that the threats only afflicted the PCs since both the Progressives and the Bloc Populaire split from the Liberals, and throughout the time period we observe new parties forming on the left, most recently the Greens. The troubles Social Credit had maintaining party unity, especially between the party’s English- and French- speaking wings, clearly demonstrate that the PCs had no monopoly on internal party strife.

The mere threat of a new entrant or a party split can change the behaviour of an existing party (see Lee, 2007). Lee (2007) found that such threats deterred major American parties to converge ideologically. Threats from scavengers forced the PCs to follow the strategy of an aggregator in an effort to maintain party unity. According to Perlin (1980), this strategy often forced the PC leader to focus on just holding his party together rather than pursuing a potentially successful move towards the median voter. Failure to hold the party together could cause the eclipse of the leader or, more seriously, threaten the party’s survival. If the party moved too far in one direction, it risked losing one wing of the party to a scavenger, a more ideologically consistent sticker (an existing sticker or a start-up), or the Liberals. The need to facilitate the party’s ability to aggregate the interests of its members under conditions of threat lead to several instances of significant organizational reforms, such as those enacted after the Port Hope Conference in the

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9 In 2001, there was also split in the Canadian Alliance caucus over the leadership of Stockwell Day. We exclude this split, the Democratic Reform Caucus, from the table because they did not contest any elections sharing a common label, platform or organization. Notably, such disputes or cabinet shuffles, have not caused a split in the governing party.
1940s, by Dalton Camp in the 1960s, and following the 1993 election debacle. \textsuperscript{10} Similar pressures were felt by leaders of Social Credit, without much success in aggregating the interests of the party’s disparate provincial wings (van Loon and Whittington, 1986). Being responsive to threats within the party rather than the general electorate’s median voter handicaps the parties in both Laver-Schilperoord’s simulations and historically in Canada.

The recent merger of the Canadian Alliance and Progressive Conservatives shows it is possible to overcome to disincentives created by the Canadian system to unify. When circumstances weaken the predominant party, then we should expect efforts to pursue that avenue and win control of the government. \textsuperscript{11} Yet, even in such circumstances, the need for policy consistency and the threat that some party members would defect from a merged party still caused bumps in what proved to be a prolonged process of unification. Five MPs, including former Prime Minister Joe Clark, refused to join the newly merged party. These defections illustrate that even in circumstances that promise a chance at leading the government, there are some politicians who would rather promote an uncompromised set of policies. Similar dynamics appear to have occurred in the mid-1920’s, when the Progressives held the balance of power in the House of Commons.

\textit{VII. Conclusion}

This history of new parties targeting opposition parties and splits within opposition parties is important because they are an indication of the kind of threats that may be frequently, if not always, present. The Bloc Québécois did not form until 1990, but there were efforts to start similar parties on a semi-regular basis for over two previous decades. The formation of populist parties on the Western prairies is a time-honored tradition.

We emphasize that incentives exist to form splinter parties both when the government party appears dominant and when the chance of a minority government exists. In the former scenario, the new party may be “promoters” competing for votes in an effort to influence the agenda when the outcome of the election is not in doubt. When there is a majority government, the minority parties have little influence, making the promotion of a set of localized concerns or protests more desirable than a feeble parliamentary opposition (Perlin, 1973). When the chance of a minority government exists, the parties contend for seats, because on some key issues, they may be counted on for a majority. Rather than compromise a local or regional concern to a larger opposition group, voters may desire that a narrow set of interests are represented in bargaining with the national entity. In combination, this means that leaders of small, regional parties have an incentive to form and seek office under a wide range of conditions. In other words, opposition parties have reason to fear the growth of a new party whenever the aggregation of beliefs

\textsuperscript{10} Wearing (1981) has noted similar organizational reforms in the Liberal party at times when it felt threatened by competitors, such as the late 1950s.

\textsuperscript{11} Similar circumstances led to coordination between Liberal and Progressive or Labour candidates in the inter-war years. During a period in which the Liberals were closely contesting elections with the Conservatives, the Liberals would agree not to run candidates against Progressive or Labour candidates provided those candidates would agree to support the Liberals in the House of Commons.
in the party becomes so wide that there is an opportunity for a regional party to emerge. This is exactly what happened to the Progressive Conservatives.

We understand these splits and mergers as being reasonable decisions in the context of the incentive structures facing party leaders and supporters. This does not contradict some views of Canadian parties, or evaluations of government tenures, that blame party leaders or supporters for their electoral or governing failures, but it does suggest that such decisions are not habitually wrong or some parties are incapable of governing. While strategic errors might surely be made, in the broader perspective, decisions about position stances, party unity and who leads can be understood as rational decisions made under uncertainty.

An alternative explanation for the growth of new parties targeting the opposition instead of the government may simply be the strength of the Liberal Party, the party most often in government. If this is true, then in elections when the Liberals are weak, we should find support for minor parties diminishing. We do not. We might also expect to find high levels of voter loyalty to the Liberals. Instead of high levels of strong voter loyalty, scholars in the modern survey era have found that Canadian elections are heavily influenced by short-run factors like leadership and campaign-specific issues. While it is true that the Liberals are advantaged by having more loyal partisans than the other parties (Clarke et al., 1984; Nevitte et al., 2000), this factor cannot protect the Liberals from short-term forces like those that caused landslide defeats in 1958 and 1984, nor the loss of government in 1957 and 2006.

Absent evidence that Liberal dominance is a direct function of its popularity in the electorate, or the party system is a product of social cleavages, we argue that Liberal dominance and the fragmented opposition can be understood by focusing on the strategic environment in which opposition politicians make their decisions. To successfully challenge the dominant, centrist party, the opposition must meet three conditions.

a) Convince his policy-orientated party that office is attainable even if there are policy concessions to be made (Strøm, 1990).

b) Prevent his party from splintering or a new party entering on his flank as a result of this shift towards the median voter (Laver and Schilperoord, 2007).

c) Successfully compete for the federal median voter with the Liberals (Downs, 1957; Duverger 1954).

Competing for the median voter (c) is difficult without achieving the necessary policy concessions (a). Making policy concessions is difficult if there is a real threat of the party splintering (b). Our review of the history of minor parties in Canada is that this threat is real, deterring party leaders from making policy concessions (a). Unable to make these concessions, we find the centrist party dominating the electoral scene.

In a “typical” election, then, the Liberals will begin the campaign with a larger base of electoral support and find it easier to capture the median voter than any given opposition party. Confronted with this strength, their opponents often seek rewards coming from a mix of policy influence and legislative office that are highest when there is a minority government, or perhaps from strength at other levels of the government.
Despite a century of defeats at the hands of the Liberals, the coalescing of the ‘not-Liberals’ in Canada under the pressures of Duverger’s Law or a desire for office has not occurred and, given the composition of Canada’s opposition parties, is unlikely to occur. This, we argue, is not the result of a political system twisted to support the ruling party nor a secret elixir for electoral success passed from one Liberal Party leader to another. Instead, the Liberals have been successful because, for opposition parties, the low expected return from defeating the Liberals combined with the risks in pursuing a strategy that could knock the Liberals out of office are too high relative to the expected rewards for supporting a minority government. So, opposition leaders pursue strategies that stress their policy distinctiveness both from the Liberals and from other opposition parties. This strategy is sufficiently attractive to voters to maintain Canada’s multi-party system, but gives opposition parties little chance of displacing the Liberal hold on Canadian government for very long.
Table 1: NDP vote share when the federal election is close

<table>
<thead>
<tr>
<th>Year</th>
<th>Difference</th>
<th>Direction</th>
<th>Vote as % of Valid Votes Cast</th>
<th>Change in NDP Share from Previous Election</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962</td>
<td>0.1</td>
<td>13.4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1963</td>
<td>8.9</td>
<td>13.1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1965</td>
<td>7.8</td>
<td>17.9</td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>1968</td>
<td>14.1</td>
<td>17.0</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>1972</td>
<td>3.6</td>
<td>17.7</td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>1974</td>
<td>7.8</td>
<td>15.4</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>1979</td>
<td>4.2</td>
<td>17.9</td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>1980</td>
<td>11.8</td>
<td>19.8</td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>1984</td>
<td>-22</td>
<td>18.8</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>1988</td>
<td>-11.1</td>
<td>20.4</td>
<td></td>
<td>+</td>
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<tr>
<td>1993</td>
<td>22.6</td>
<td>6.9</td>
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<td>-</td>
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<tr>
<td>1997</td>
<td>19.1</td>
<td>11.0</td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>2000</td>
<td>15.3</td>
<td>8.5</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>2004</td>
<td>7.1</td>
<td>15.7</td>
<td></td>
<td>+</td>
</tr>
<tr>
<td>2006</td>
<td>-6.1</td>
<td>17.5</td>
<td></td>
<td>+</td>
</tr>
</tbody>
</table>

*Elections in bold and italics are those elections when the Liberals win less than 8 percentage points more than the second-largest party.*

*Source: Adapted from Coulson (Geoby), 2007.*
Table 2: Canadian Party Splits* and New Parties since the First World War

<table>
<thead>
<tr>
<th>Opposition Split</th>
<th>Government Split</th>
<th>Split from both government and opposition</th>
<th>New Parties (no ties to existing federal office-holders)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1962 <em>Raillement des Crediste’s du Quebec.</em> Social Credit in Quebec splits from the national party when the leadership remains English even after francophones win 87% of the party’s seats.</td>
<td>1943 <em>Bloc Populaire Canadien.</em> 2 Quebec Liberals split over conscription.</td>
<td>1990 <em>Bloc Québécois.</em> Formed after the defeat of the Meech Lake Accord by both Conservative and Liberal MPs. Strong ties to provincial Parti Québécois and labor movement in Quebec.</td>
<td>1987 <em>Reform Party of Canada.</em> Although much of activist base came from former Progressive Conservatives and NDP voters, the party’s leadership and parliamentary contingent generally had no recent ties to other parties.</td>
</tr>
<tr>
<td>1932 <em>Co-operative Commonwealth Federation.</em> Socialist-farmer-labor party. Impetus came from a number of sitting left-wing MPs co-operating with several other organizations. Consistently strong ties to provincial parties.</td>
<td>1935 <em>Reconstruction Party.</em> Cabinet Minister splits from Conservatives over solution to depression. Wins almost 9% of the vote, but only one riding.</td>
<td>1921 <em>Progressives.</em> Leadership included ex-Liberals (opposition in 1921 election) and former Unionist cabinet minister, grassroots mobilized by provincial farmer parties.</td>
<td>1943 <em>Labour Progressive</em> (Communist)</td>
</tr>
<tr>
<td>1940 <em>United-Reform.</em> Farmer-Labour party that won 1 seat in a byelection.</td>
<td>1935 <em>Social Credit.</em> Agrarian populist party whose initial success was primarily in Alberta.</td>
<td>1921 <em>Labour.</em> Mix of candidates in different provinces with same Labour label.</td>
<td>1921. <em>United Farmers of Alberta, United Farmers of Ontario.</em> Provincial agricultural organizations ran federal candidates after success at provincial level.</td>
</tr>
</tbody>
</table>

* We include only parties which successfully held at least one parliamentary seat and contested others under the same label, platform or organization. This excludes individual members removed from the caucus, even those who chose to run in subsequent elections as independents.
Works Cited


