

Political Party Competition and Campaign Finance Laws

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Overview

- Background
- Synopsis
- Replication Methodology
- Research Proposal

Introduction

Does campaign finance laws influence political party competition?

Potter, Joshua D. and Margit Tavits. 2015. "The Impact of Campaign Finance Laws on Party Competition." *British Journal of Political Science* 45(1): 73-95.

- Comparative Perspective
- Democratic elections
- Campaign Finance

Test the relationship of campaign finance laws and political party competition.

Development of an independent variable fund parity, which captures the campaign finance laws in each democratic country.

Hypothesis

H1): *Where fund parity is high, more fractionalized party systems with a higher effective number of parties*

Regression Analysis (OLS)

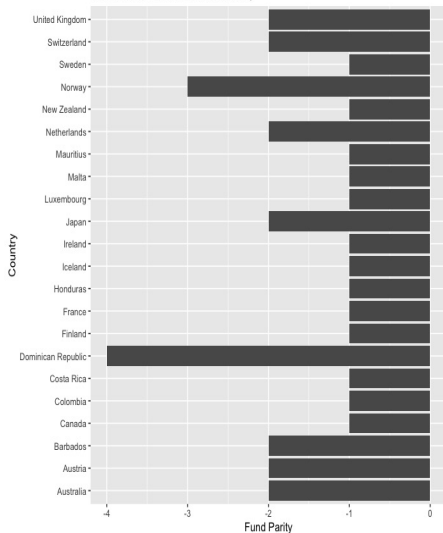
OLS Model Estimates (Potter and Tavits 2015)

	All democracies	1974 and later
Fund Parity	0.44*** (0.15)	0.45*** (0.21)
Democratic Years	0.01 (0.01)	-0.01 (0.03)
Federal	-0.21 (0.48)	-0.23 (0.75)
Intercept	3.07*** (0.76)	4.38*** (1.23)
<i>N</i>	90	54
<i>R</i> ²	0.20	0.17
Note:	* $p < 0.1$; ** $p < 0.05$; *** $p < 0.01$	

Fund Parity

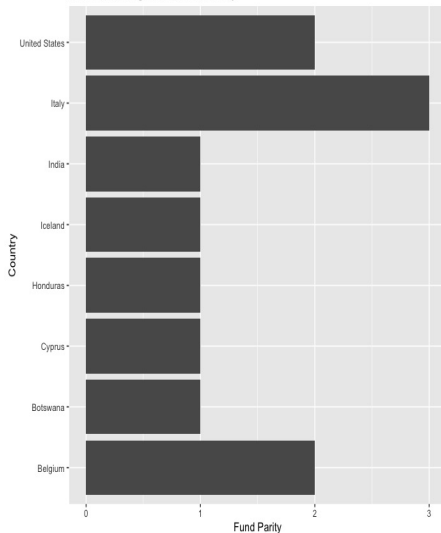
Pre-1974 democracies

Countries with low levels of Fund Parity



Pre-1974 democracies

Countries with high levels of Fund Parity

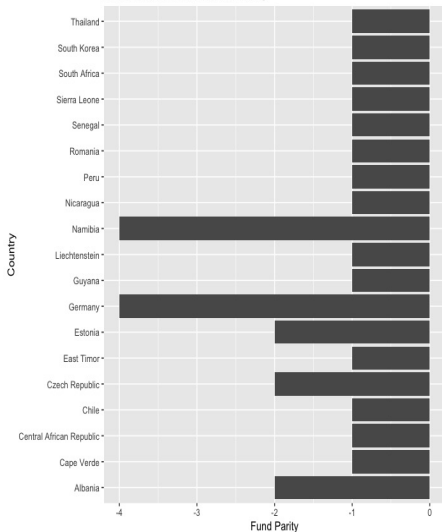


Data: Potter & Tavits (2015)

Data: Potter & Tavits (2015)

Post-1974 democracies

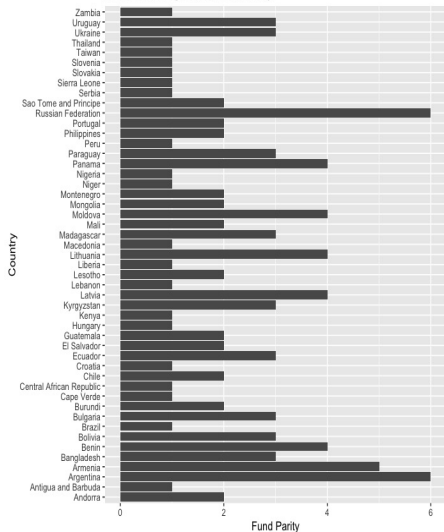
Countries with low levels of Fund Parity



Data: Potter & Tavits (2015)

Post-1974 democracies

Countries with high levels of Fund Parity



Data: Potter & Tavits (2015)

Research Proposal

Methodology

- Bayesian Analysis

Hypothesis

- Relationship between fund parity and countries GDP

Diagnostic

- Monte Carlo
- Simulate the findings
- Use the simulation to re-create the OLS model