

# Building the Party Franchise

## Grassroots Collaboration and the Conservative Party of Canada

### Overview

According to Carty's franchise model of party organization, local party organizations are atomistic branches that campaign almost independently from non-local branches (2002: 743-44). This allows national parties to raise votes on the ground in riding-specific ways (Sayers 1999). Research suggests that local branches are increasingly reliant on funding from the central office which may indicate that parties are moving away from stratarchical organizational structures (Coletto et. al 2011). Yet, this does not account for the roughly 100 Conservative Party riding associations that sent \$1M in 2008 and \$2M in 2011 to other local party organizations through inter-association funding transfers.

**Research Question:** Why would one local party organization give money to another when the potential spending does not raise votes for the local candidate?

**Local party organizations** are the local branch comprised of electoral district associations (EDAs, commonly referred to as riding associations) and constituency campaigns;

**Collaboration** is defined here as party branches helping other components organize so they may execute their campaign responsibilities.

#### Institutional Factors:

- Single Member District Electoral System – votes are confined by riding boundaries;
- Party Finance Regime – unlimited intra-party funding transfers (money is not confined by riding boundaries), campaign spending reimbursements, spending limits, and donation limits;
- Partisan organizational ethos (Sayers 1999: 133) – the Conservative Party inherited its decentralized organizational appearance and populist ethos from the Reform Party of Canada (Flanagan 2009: 51), as well as its regional imbalances for organizational capacity.

**Thesis:** Local party organizations with resource surpluses can recognize a secondary market for campaign spending and collaborate with other constituency campaigns. Money is a fungible commodity that local parties can move to direct campaign effort away from uncompetitive races and help build the party in strategically important ridings.

### Methodology

- Population data are obtained from Elections Canada administrative reports for riding associations and candidate campaign summaries. Data about candidates are from the Parliament of Canada.
- Data manipulations: financial data are transformed with base-logs and zeros are added to subsequent missing values to maximize the inclusion of cases (N = 308).
- Binomial logistic regression estimates the log odds for making an inter-association funding transfer, supplemented with proportion of inter-association transfers by province, and three regional cases illustrated on maps.
- Graphs are calculated using the estimated log odds from the full model and continuous independent variables at tenth percentile points, holding others constant at fiftieth percentile point.

### Variables

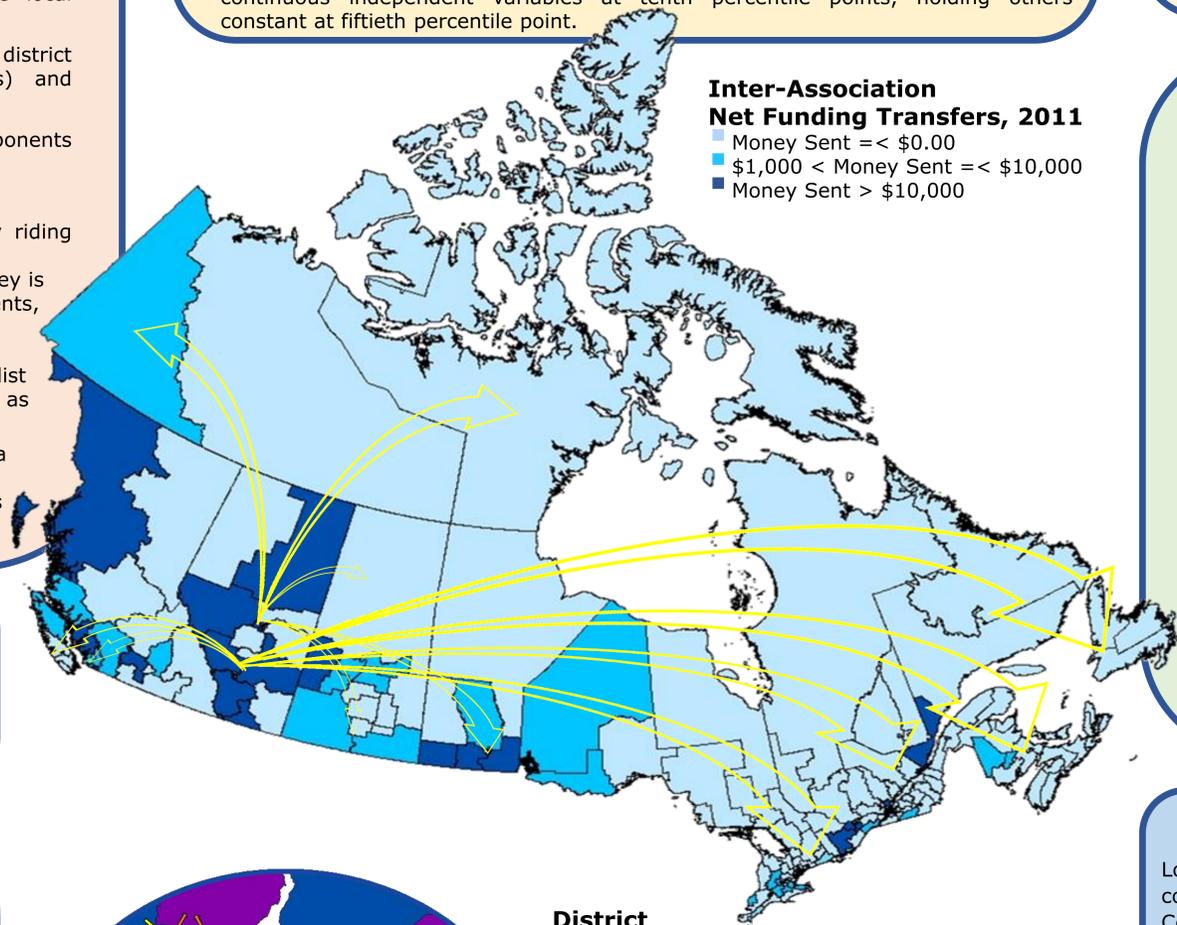
- **Dependent Variable:** dichotomous measure for making an inter-association funding transfer (no transfer = 0).
- **Independent Variables:** Electoral district association (EDA) savings (end balances in 2007 and 2010); Financial transfers from the central party office (2008 and 2011); EDA transfers to local candidate's campaign; Candidate campaign spending (standardized into percentage of district expense limit); Bodet's (2013) indicator for district competitiveness (Conservative Stronghold = 0); Candidates who are also members of cabinet (not in cabinet = 0) and sex (male = 0).
- **Potential Bias:** candidate reports not included in dataset and may exclude money received directly by campaigns; time variable by year; human error.

### Findings

- 1. Collaboration between local parties is most prominent in the Conservative Party of Canada:**
  - a) Roughly one-third of Conservative riding associations sent or received money from another riding association in 2008 and 2011.
- 2. Local parties may recognize a secondary market for fundraising from non-local riding associations:**
  - a) Conservative EDAs received nearly as much money from non-local riding associations as they did from the central party office in 2008; more than the central office in 2011.
- 3. Local parties in uncompetitive districts may recognize a secondary market for campaign spending in non-local ridings:**
  - a) Higher probability to transfer when campaign spending is lower: 17 EDAs in Alberta sent \$761,177 to 56 local parties across the country in 2011. They spent on average 64% of the limit campaigning at home;
  - b) Higher probability to transfer when riding is uncompetitive: Laurier-Saint-Marie (Montreal) sent \$87,000 to 15 candidates and 4 EDAs throughout Quebec and spent only 5% campaigning at home in 2011;
  - c) No substantial difference between those in and out of cabinet in 2008;
- 4. Central party funding and being a male cabinet minister became a significant determinant for making a transfer in 2011 and may indicate central-local collaboration.**

**Inter-Association Net Funding Transfers, 2011**

- Money Sent =< \$0.00
- \$1,000 < Money Sent =< \$10,000
- Money Sent > \$10,000

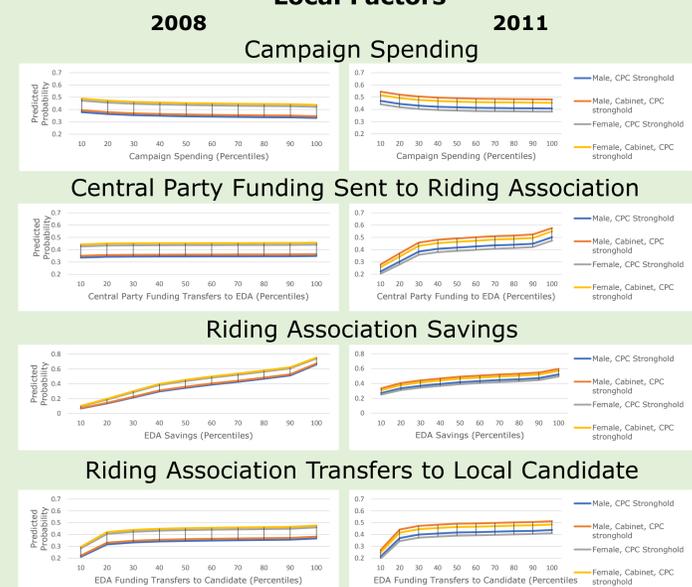


**Inter-Association Funding Transfer Ratio for National Parties**

Year	Conservative Party	Liberal Party	New Democratic Party
2008	1.49	5.17	20.20
2011	0.94	22.51	59.16

(Central office funding received / non-local inter-association funding received; score of 1 means equal contributions, score higher than 1 means national office sent more money)

### Conservative Party Inter-Association Transfers: Local Factors

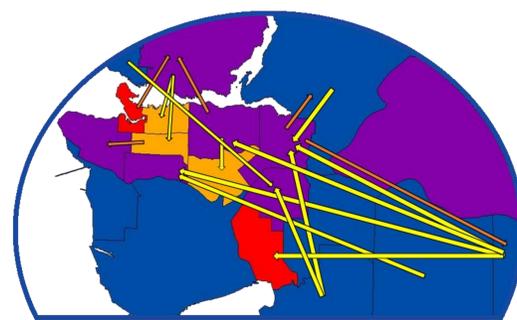


### District Competition

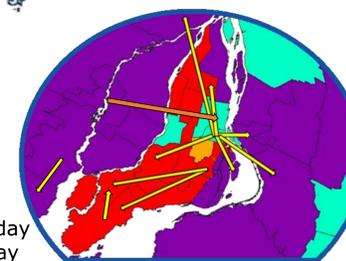
- Conservative
- Liberal
- NDP
- Bloc Quebecois
- Battleground

### Transfers

- Sent before E-day
- Sent after E-day



Vancouver, BC



Montreal, QC

**Conservative Party Inter-Association Transfers by Province (N)**

	Year	BC	AB	SK	MB	ON	QB	NB	PEI	NS	NFLD	Terr.	Total
Sent	2008	15.78% (18)	58.08% (18)	4.59% (7)	3.86% (4)	9.21% (16)	6.07% (15)	0.44% (4)	0.28% (2)	0.07% (2)	0.82% (1)	0.81% (1)	100.00% (88)
	2011	16.07% (17)	37.10% (17)	3.02% (9)	8.23% (8)	19.71% (32)	10.46% (9)	0.48% (2)	0.76% (2)	2.48% (4)	1.22% (3)	0.49% (1)	100.00% (106)
Received	2008	21.23% (13)	8.31% (9)	9.89% (3)	8.97% (6)	14.37% (21)	18.26% (29)	1.29% (2)	1.90% (2)	1.51% (4)	9.71% (4)	4.55% (2)	100.00% (95)
	2011	18.35% (13)	7.41% (10)	5.76% (6)	8.14% (8)	28.95% (27)	5.09% (12)	2.50% (4)	1.38% (2)	10.17% (5)	9.04% (6)	3.20% (2)	100.00% (95)

### Conclusion

Local party organizations may become concerned about building the party in other constituencies when doing so enhances prospects for winning power. In the Conservative case, highly competent local party organizations and the central party office coalesced to build a nationally competitive party on the ground capable of winning a majority government. Carty's franchise model can be broadened to include collaboration and explain that local party organizations may influence national campaigns beyond a given riding.

### Select Bibliography

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