

# Crashing the Party? Elites, Outsiders, and Elections\*

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## Abstract

We consider an election between two parties that nominate candidates for office. The parties are polarized on a traditional cleavage, but are also internally divided along a second issue cleavage. We introduce a threat of entry from Outsider candidates, who have the prominence and resources to bypass party elites. We consider when voters will turn to Outsiders, and identify the conditions under which Outsiders will enter an election through an established party's nomination process, as opposed to circumventing established parties via a third-party challenge. We further explore when this threat disciplines party elites and the conditions under which Outsider challenges are most likely to succeed. Our framework highlights how established parties will be especially vulnerable to Outsider primary entry in periods of intense ideological polarization between the parties, and that this vulnerability is especially heightened for the majority party.

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# 1. Introduction

In the United States, and elsewhere, recent elections have exposed the vulnerability of established parties and party systems to the entry of *Outsider* candidates. A defining feature of these candidates is their ability to enter politics and contest elections without the support of traditional party elites. Some Outsiders, such as Donald Trump, Bernie Sanders, and Roy Moore, pursued their campaigns by seeking the nomination of established parties, despite strong initial opposition from party elites and insiders. Others, including Ross Perot, Imran Khan, and Beppe Grillo's Five Star movement, bypassed existing parties entirely, pursuing third-party or independent campaigns—or even creating new parties of their own.

Why might voters prefer to support Outsider candidates, either in party primaries or in general elections, instead of more experienced and vetted candidates? What forces shape an Outsider's decision to enter an election through an established political party, rather than as a third-party candidate? And given that, regardless of their ultimate success, Outsider candidacies of all forms are often highly disruptive to established parties, why might party elites fail to take the necessary steps to mitigate the Outsider threat?

We explore these questions in a theoretical model of electoral competition between two established parties. A novel ingredient that we introduce is that there are two issue dimensions of policy conflict. The first issue dimension—for example, redistribution and the size of the state—represents a traditional issue cleavage on which there is polarization *between* parties. The second issue dimension represents a cleavage on which there is polarization and disagreement *within* parties. Our running interpretation of this issue dimension is “globalism” versus “anti-globalism”. More broadly, however, the model describes any context in which there is polarization both between and within parties.<sup>1</sup>

We assume that elites in both established parties belong to their respective party's globalist faction, and, in the baseline model, that establishment candidates' positions reflect their party elites' preferred policies.

We introduce the threat of entry by an *Outsider*, who is distinguished from establishment candidates in two important respects. *First*, she has the resources, name recognition, or grassroots support to participate in either the primary or the general election without the support of party elites. *Second*, establishment candidates have valuable skills and experience that the Outsider lacks. Formally, this is captured by assuming that voters derive a value from an es-

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<sup>1</sup>For example, in the United States, the civil rights era created division within the parties that were distinct from the traditional cleavages that divided the parties (e.g., [McCarty, Poole and Rosenthal, 2008](#)). In other contexts, the cleavage might also represent a religious division.

establishment candidate that is independent of her policy. These two features imply that voters will only turn to the Outsider if she offers policies that are left unrepresented by establishment candidates.<sup>2</sup> The Outsider decides whether to enter the election by mounting a primary challenge inside an established party or, alternatively, to compete outside of the established parties as an independent, third-party candidate.

Because an establishment candidate represents the globalist faction in each party, the Outsider differentiates herself by running as an anti-globalist. When deciding whether to contest the election via a primary or a third party campaign, there are two important sources of uncertainty: the Outsider is unsure of the division of voters *between* the parties and between the factions *within* parties, and she is also unsure of the extent to which anti-globalist voters are relatively more intensely polarized on the globalization issue conflict versus the traditional partisan issue conflict.

If the Outsider chooses a primary campaign, she will be opposed by party elites and globalist voters, who prefer the establishment candidate on both policy and quality grounds. However, if there is significant polarization between the parties, the Outsider anticipates that—if she wins the primary contest—she will draw the support of *both* ideological factions within the party in the general. The reason is that even those who opposed the Outsider in the primary, will nonetheless prefer her to the opposing party's nominee. The gamble of early defeat may be worthwhile if it carries the promise that the party would subsequently rally around her, despite factional disagreement at the nomination stage. The Outsider therefore enters the election through a primary challenge if there is sufficiently intense *inter-party polarization*.

When inter-party polarization is instead relatively low, the Outsider anticipates that the globalist faction within the party would fail to rally behind her if she won the nomination on an anti-globalist platform. In a general election, she would therefore require a majority of anti-globalists to defeat the unified globalist vote in favor of the *other* party's nominee. By staying out of the primary, in contrast, she ensures that both parties are represented by elite-endorsed candidates who champion globalist policies. This has the consequence that in the general election, the globalist vote is fractured across party lines, so that it is possible to win the election even if anti-globalists only constitute a plurality of the electorate. In this case the Outsider always prefers to enter as a third-party candidate.

Because an Outsider will only ever contest the primary in periods of intense inter-party po-

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<sup>2</sup> As such, our framework provides a rationale for Outsider candidates *even if* they are not perceived as more able or less corruptible. In an extension, we allow for the Outsider to be perceived as superior in quality to establishment candidates, and show that the incentive to offer non-establishment policies continues to exist.

larization, she always achieves its united support if she wins the nomination. A consequence of this is that, *conditional on securing the party nomination*, the Outsider has a better prospect than an establishment candidate of winning in the general election. This is because the Outsider secures not only the unified party vote, but may also steal the support of some anti-globalist voters in the opposing party. This latter feat could never be achieved by a globalist establishment nominee. So, even though an Outsider challenge may face long odds in the primary, her success need not necessarily reduce the party's chances in the general—it may even *increase* those chances.

An Outsider campaign is disruptive to the established parties regardless of their ultimate success. Why, then, do party elites not take firmer steps to mitigate it? We address this question by considering two kinds of political party elites: *strong* and *weak*. Party elites are strong if they have the capacity—*de jure* or *de facto*—to block the Outsider from mounting a primary challenge; they are weak if they lack the capacity to stop the Outsider from entering.<sup>3</sup> We show that strong party elites may not wish to use their power to block the Outsider; the reason is that doing so forces the Outsider to enter the election on a third-party challenge. These challenges divide the party's factions in the general election, raising the prospect that the other party's nominee wins on a plurality of votes. If elites are sufficiently polarized on the inter-party issue cleavage, they prefer to face the Outsider's challenge head-on in the primary, rather than force her to compete as an independent in the general election. Thus, even strong party elites may opt not to block the Outsider from a primary challenge.

Weak parties, by contrast, cannot keep the Outsider out if she wishes to enter—this may be due to norms, explicit rules, or highly decentralized party organizations. In these contexts, elites must find another way. To give elites a chance, we suppose that they could find a high-quality candidate to run in the party's primary on an anti-globalist platform against their most preferred (globalist) candidate. This gives all party factions a high-quality candidate in the primary, and effectively deters the Outsider from being able to mount a successful primary challenge. In contrast, by refusing to offer an established alternative to its most-preferred candidate, the elite creates an opportunity for the Outsider's primary challenge to succeed.

We find that the elite will have the greatest incentive to restrict primary competition amongst establishment candidates when the intensity of globalist sentiment is high, when inter-party polarization is strong, and when elites are most confident that the Outsider would lose in the

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<sup>3</sup> An example of strong party elites comes from Marco Enríquez-Ominami, a Chilean presidential candidate, in 2009. Enríquez-Ominami initially planned to contest the *Concertación* coalition primary election, but opted instead to run as an independent after the leadership forced a rule-change that would guarantee the nomination of its preferred establishment candidate—the former president Eduardo Frei (Bunker and Navia, 2013). By contrast, party elites in the United States cannot stop a candidate from participating in the primary if she has sufficient grassroots support.

primary. In particular, since elites will always act to deter the Outsider whenever she has a high enough probability of success, Outsider challenges can only occur when they are unlikely to succeed; that is, an Outsider can only secure a party's nomination when doing so is a *surprise*.

Our results can shed light on the contemporary US paradox of “strong partisanship, weak parties” (e.g., [Azari, 2016](#)). Our framework shows that it is precisely when polarization between parties is strongest that party establishments are most vulnerable to entry from Outsiders, and elites have the least control of their nominating process. The reason is that, despite initial opposition, Outsiders anticipate that so long as they win the nomination, they will be able to unite the party in its common desire to defeat the opposing party's candidate. This makes a primary victory an especially valuable prize. As this prize only gets more valuable when the party is electorally advantaged, an Outsider primary challenge is more likely in the electorally advantaged than disadvantaged party. In light of the increase in polarization documented in recent decades (e.g., [McCarty, Poole and Rosenthal, 2008](#)), our prediction that primary entry is relatively more attractive to Outsiders in periods of heightened partisanship is consistent with the fact that Ross Perot pursued a third-party candidacy in the 1990s, while Donald Trump instead pursued a primary challenge in 2016.

This paper is organized as follows. After reviewing related work, we present our model of Outsider challenges in [Section 2](#). We then solve for general election outcomes ([Section 3](#)) depending on the Outsider's entry inside the party or as a third-party candidate, and assess how this shapes the Outsider's choice ([Section 4](#)). In [Section 5](#), we extend the model to allow the elite to respond to the Outsider threat. [Section 6](#) discusses several extensions of the baseline model. The proofs of all results are included in the [Appendix](#).

**Related Work.** We view our results as relevant to a number of theoretical and empirical literatures on electoral competition and the internal organization of political parties. We describe the connection below.

*Primaries.* A large literature documents a shift in the internal organization of parties towards more open and democratic candidate selection procedures across a number of countries. Primaries can reveal information about candidates' quality ([Serra, 2011](#); [Adams and Merrill, 2008](#); [Snyder and Ting, 2011](#); [Slough, York and Ting, 2017](#)), and voters' policy preferences ([Meirowitz, 2005](#)). They may also provide incentives for candidates to invest in high-quality platforms ([Caillaud and Tirole, 2002](#); [Crutzen, Castanheira and Sahuguet, 2010](#)). At the same time, primaries may exacerbate policy conflict between parties ([Kaufmann, Gimpel and Hoffman, 2003](#); [Serra, 2015](#); [McCarty, Poole and Rosenthal, 2008](#); [Agranov, 2016](#)) and mitigate conflict within parties ([Hortala-Vallve and Mueller, 2015](#)).

We do not explore the party's decision to use primaries: in our framework the party nomination rules are fixed and common-knowledge. In particular, we allow for the possibility that "weak" party elites cannot stop the Outsider from triggering a primary election. However, a formal commitment to internal party democracy belies the scope for elite manipulation of the contest, as the party elite may be able to use its privileged position to promote aligned candidates at the expense of others. Our focus is on the prospect that establishment candidates will adopt elite-preferred policies, as well as the question of when Outsider candidates choose to contest primary elections rather than bypass internal party democracy entirely by entering election as third-party candidates. Moreover, in contrast to previous work that has emphasized the role of primaries in selecting high quality candidates and platforms, our framework identifies circumstances under which holding a primary *lowers* the expected quality of the party's nominee relative to elite selection.

*Party nomination decisions.* Our results address the types of candidates that are likely to be nominated when party leaders and rank-and-file members are misaligned. In an extremely influential book, [Cohen, Karol, Noel and Zaller \(2009\)](#) argue that the party establishment in the United States typically plays a *decisive* role in party nominations. Nonetheless, party elites are not always successful in imposing their preferred candidates on primary voters. This was demonstrated, for example, by the inability in recent elections of Republican party elites to forestall the nominations of Donald Trump and Roy Moore. Our analysis sheds light on how party elites can influence the process and derives predictions about when "the party decides" and when, instead, the party *divides*, with primary voters abandoning elite-preferred candidates.

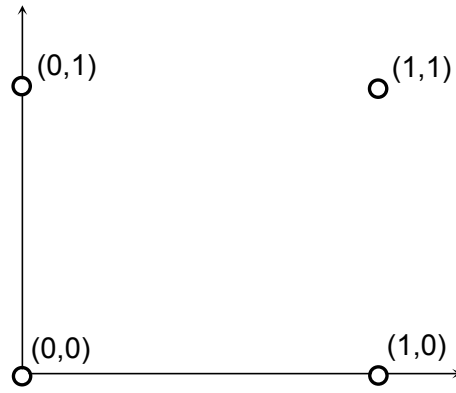
*Formal models of political parties.* Our paper relates to existing work in which parties aggregate conflicting policy preferences. A seminal contribution is [Levy \(2004\)](#), who illustrates how parties may endogenously reduce the dimensionality of ideological conflicts to a single dimension in electoral competition. Our model also highlights when elections will be fought on one or more than one dimension of ideological conflict. In [Roemer \(1999\)](#), party factions assign different priorities to policy versus winning. [Dewan and Squintani \(2016\)](#) also consider parties made up of factions, but focus on information aggregation among the members. In [Morelli \(2004\)](#), parties serve as a mechanism to coordinate voters in elections in multi-district contests, in one dimension of policy conflict. [Eguia \(2011\)](#) shows how parties—defined as durable voting coalitions—endogenously form in a legislative assembly. [Krasa and Polborn \(2015\)](#) consider candidate selection and legislative elections in multiple districts, in a one-dimensional model. [Krasa \(2016\)](#) considers a dynamic model of two-party elections in which parties nominate candidates, and in which party membership evolves over time, but in which there is no prospect of third-party entry.

*Outsiders, Populists, and Entry.* A large body of work considers established parties competing under threat of third-party entry, including [Palfrey \(1984\)](#), [Weber \(1992\)](#) and [Callander \(2005\)](#). In contrast with these papers, we consider more than one dimension of policy conflict, and also allow a potential entrant to decide whether to pursue her campaign as a third-party candidate or through established political parties. Finally, we contribute to a small but growing literature on populism. [Acemoglu, Egorov and Sonin \(2013\)](#) develop a model of populism in which policymakers choose extreme and inefficient policies in order to signal they are not captured by elites. [Eguia and Giovannoni \(2017\)](#) argue that electorally disadvantaged parties may invest in extremist platforms, thereby gambling on the prospect of a future shift in voter preferences. [Rodrik \(2017\)](#) empirically associates populism with new issues and distributive conflicts brought about by globalization. [Guiso, Herrera, Morelli and Sonno \(2017\)](#) consider when political candidates will pursue short-term populist policies, and find that such policies are more electorally attractive when there is greater distrust of elites. [Karakas and Mitra \(2017\)](#) develop a theoretical model in which Outsider candidates can commit to higher levels of redistribution, and find that Outsiders are more likely to win when there is greater income inequality. Unlike [Guiso et al. \(2017\)](#) and [Karakas and Mitra \(2017\)](#), who assume Outsiders have a comparative advantage in offering populist policies or rhetoric, we emphasize why voters may turn to Outsiders *even if* they are presumed to be riskier, or less competent.

## 2. A Model of Outsider Challenges

**Environment.** There are two political parties,  $\mathcal{L}$  and  $\mathcal{R}$ . Each party consists of an *elite*, a unit mass of *citizens*, and a set of *establishment candidates*. The elite could represent the party leadership, such as the Republican National Committee, a group of senior legislative politicians, or major donors and party activists. Finally, there is an *Outsider* candidate, whose decisions will be the focus of our baseline model.

There are two dimensions of policy disagreement and in each dimension there are two possible policy positions, 0 or 1. Hence the policy space is  $\{0, 1\} \times \{0, 1\}$ , depicted in [Figure 1](#). The horizontal dimension of policy is most naturally interpreted as a traditional left-right cleavage, such as *less* ( $x = 1$ ) versus *more* redistribution ( $x = 0$ ). The vertical dimension of policy represents an emerging issue cleavage. We interpret it as reflecting competing views on globalization: voters located at  $y = 1$  favor *globalist* policies, e.g., open immigration policies and free trade; by contrast, voters located at  $y = 0$  favor more restrictive trade agreements and immigration controls. We refer to these latter voters as *anti-globalists*. We emphasize that we adopt this nomenclature purely for exposition; the interpretation of this second issue dimension will



**Figure 1** – The set of policy alternatives.

vary with the particular context.<sup>4</sup>

Political parties are organized along the horizontal policy cleavage with all citizens a member of one of the two parties. Voters and party elites care about policy, and are identified by their most preferred policies. The  $\mathcal{R}$  elite’s most preferred policy is  $(1, 1)$ , while the  $\mathcal{L}$  elite’s ideal policy is  $(0, 1)$ : both party elites support the globalist position, but the  $\mathcal{R}$  elite favors less redistribution and smaller government, while the  $\mathcal{L}$  elite favors more redistribution and larger government.

The distribution of voters’ preferences is uncertain, from the perspective of all agents. We assume that fraction  $R$  of the voters are in the  $\mathcal{R}$  party and  $1 - R$  are in the  $\mathcal{L}$  party. Within each party, fraction  $A$  are anti-globalists and  $1 - A$  are globalists. This fraction is the same in each party and  $R$  and  $A$  are independent.<sup>5</sup> Hence the fraction of anti-globalists and globalists  $\mathcal{R}$  voters is  $RA$  and  $R(1 - A)$  respectively. Similarly the fraction of  $\mathcal{L}$  anti-globalists and globalists are  $(1 - R)A$  and  $R(1 - A)$  respectively.

We now define the particular probabilities that will be important for the analysis. We define

$$M_R \equiv \Pr(R > 1/2)$$

to be *the probability that a majority of the voters are in the  $\mathcal{R}$  party*. Similarly

$$M_A \equiv \Pr(A > 1/2)$$

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<sup>4</sup> For example, it could reflect policies on a religious, economic, or social cleavage.

<sup>5</sup> The assumption that the fraction of anti-globalists in each party is the same, and that anti-globalist and  $\mathcal{R}$  support are independent, are made to simplify the exposition. In a [Supplementary Appendix](#) we show that our main results carry over if these assumptions are relaxed.



is the probability of a majority of anti-globalists in the electorate. Finally we define

$$P_A \equiv \Pr(A > (1 - A) \max\{R, 1 - R\})$$

to be the probability of an anti-globalist plurality. That is,  $P_A$  represents the probability that there are enough anti-globalists that a candidate who wins the support of all anti-globalists would win if the globalist vote were divided between the  $\mathcal{L}$  and  $\mathcal{R}$  parties. Throughout the paper we maintain the following assumption, which simplifies the analysis by avoiding the proliferation of cases.

**Assumption 1.**  $R$  and  $A$  are independently drawn from some atomless distribution such that

1.  $\Pr((1 - R) \max\{A, 1 - A\} < R) = \Pr(R \max\{A, 1 - A\} < 1 - R) = 1$ .
2.  $M_R \in (0, 1)$ ,
3.  $0 < M_A < P_A \leq 1$ .

The first part of [Assumption 1](#) states that either faction in the  $\mathcal{L}$  party ( $\mathcal{R}$  party) is smaller than the combined factions in the  $\mathcal{R}$  (respectively  $\mathcal{L}$ ) party. This condition will be satisfied if the division of voters between the parties is not expected to be very imbalanced. The second part states that it is uncertain whether voters in party  $\mathcal{R}$  constitute a majority. The third part says that it is uncertain whether there is an anti-globalist majority, but the probability of an anti-globalist plurality is strictly higher than an anti-globalist majority,  $P_A > M_A$ . This means a candidate who has all anti-globalists united behind her has a strictly higher prospect of winning an election if the globalist vote is divided rather than united.

**Payoffs.** Citizens and party elites care about policy outcomes. If a policy  $(x', y') \in \{0, 1\}^2$  is implemented, a citizen with ideal policy  $(x, y) \in \{0, 1\}^2$  derives a spatial payoff

$$u(x', y'; x, y) = -p|x' - x| - \begin{cases} g|y' - 1| & \text{if } y = 1 \\ a|y' - 0| & \text{if } y = 0. \end{cases} \quad (1)$$

The parameter  $p > 0$  reflects the importance of the traditional cleavage, along which the parties are defined. Thus,  $p$  captures the extent of *partisan issue polarization* in the electorate.

The parameter  $g > 0$  captures the relative concern that voters who favor *globalist* policies place on the globalization issue, and  $a$  captures the concern that voters who favor *anti-globalist* policies place on the globalization issue. Party elites are located at  $y = 1$  and we assume that the

preferences of the party elite is common knowledge. Hence  $g$  is commonly known to all players, including the Outsider.<sup>6</sup> However, we assume that there is uncertainty about the intensity of anti-globalist sentiment,  $a$ , which is a random variable distributed according to an atomless cumulative distribution function  $F(\cdot)$  with full support on  $\mathbb{R}_+$ .<sup>7</sup> The asymmetry between what is known about  $g$  and  $a$  reflects that elite opinion is better understood than the opinions of the electorate as a whole.

Finally, we assume that voters care about the quality of politicians, interpreted loosely as governing skills and experience. Specifically, we assume that all voters believe that establishment candidates hold a quality advantage,  $q > 0$ , over the Outsider candidate. This could be because the Outsider has less experience or because she has not been vetted by the party as she rose through its ranks.<sup>8</sup> Thus, when a policy  $(x', y')$  is implemented by an establishment politician, a voter with ideal policy  $(x, y)$  derives payoff

$$u(x', y'; x, y) + q,$$

and if the policy is implemented by the Outsider, a voter's payoff is simply  $u(x', y'; x, y)$ . While our benchmark model assumes  $q > 0$ , we also consider the possibility that  $q < 0$  in an extension that we discuss later, reflecting a context in which the Outsider is perceived to be of higher quality than an establishment candidate.

**Party nominations and the Outsider.** Our initial analysis focuses on the Outsider's decision of how to enter the election. We assume the Outsider is purely motivated by the possibility of winning office, and can run in either the primary or the general, but not both. To simplify the exposition we initially fix the  $\mathcal{L}$  party and focus on a potential Outsider challenge in the  $\mathcal{R}$  party.

We assume that the  $\mathcal{L}$  party is certain to nominate a globalist establishment candidate, i.e., located at  $(0, 1)$ . This may reflect a context in which  $\mathcal{L}$  is the incumbent party and inherits its candidate from the previous electoral cycle. Similarly, we assume the  $\mathcal{R}$  party elite has thrown its support behind a globalist establishment candidate, i.e., located at  $(1, 1)$ , who will win the

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<sup>6</sup> That the Outsider has the same information as party elites could be because the Outsider moves in the same circles as the elites or because pundits, columnists, and party leaders are all elites and so elite opinion is well understood.

<sup>7</sup> It is not important that  $a$  could be arbitrarily close to 0 or unbounded above, but this reduces the number of cases to consider so we make this assumption for expositional simplicity.

<sup>8</sup> One micro-foundation of this quality wedge is to assume that the elite privately observes the competence of establishment candidates, but not of the Outsider, and that high-quality establishment candidates are always available to the elite. It would then be a weakly dominant strategy for the elite to only endorse those who are high quality and we can interpret  $q$  as the expected quality difference between a known high quality candidate and a candidate of uncertain quality.

primary unless the Outsider enters the contest. Thus, the Outsider's choice is whether to contest the primary on either the globalist or anti-globalist  $\mathcal{R}$  position— $(1, 1)$  or  $(1, 0)$ —or to run as a third-party candidate on one of those two position.

Many of these simplifying assumptions will be relaxed later: we give the Outsider the ability to choose different policies and consider the possibility of primaries in both parties in [Section 6](#), and study the elite's response to Outsider threats in [Section 5](#).

We assume that the Outsider is purely office-motivated, which simplifies the analysis, since it implies that the Outsider will choose the strategy that maximizes her probability of winning office without concern for how she will impact the relative election probabilities of the other candidates.

**Timing.** The game proceeds as follows.

1. The distribution of voters,  $R$  and  $A$ , and the preference parameter,  $a$ , are independently realized. Neither realization is observed by the elite or the Outsider.
2. The Outsider decides whether to contest the primary within the  $\mathcal{R}$  party at either location  $(1, 1)$  or  $(1, 0)$ , or instead to *stay out*.
3. A primary is held within the  $\mathcal{R}$  party if there are two contestants for the nomination, in which case the candidate who receives the larger share of the vote in the primary proceeds to the general election as the  $\mathcal{R}$ -party nominee.
4. A general election is held in which the  $\mathcal{R}$ -party nominee competes against a  $\mathcal{L}$ -party establishment candidate located at  $(0, 1)$ . In addition, if the Outsider previously chose to *stay out*, she decides whether to compete in the general election at location  $(1, 1)$  or  $(1, 0)$ .<sup>9</sup> The election takes place by plurality rule.

We assume that at all stages voters cast their ballots sincerely. In particular, this means that a primary voter who chooses between two candidates does so on the basis of her *immediate* comparison between the candidates.<sup>10</sup>

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<sup>9</sup>As previously discussed, this means that even if the Outsider runs as a third-party candidate she is constrained to choose the  $\mathcal{R}$  position on the traditional issue in the general election. This makes the comparison between a primary and third-party run as simple as possible. However we consider the case in which a third-party candidate is free to pursue any policy she wishes in [Section 6](#).

<sup>10</sup>Assuming instead that voters take into account the probabilities of winning in the general election when casting their ballot in the primary would not fundamentally change the results; for a range of parameters the equilibrium behavior would be the same under this assumption.

**Equilibrium.** Our solution concept is sequential equilibrium. We use sequential equilibrium to account for nature’s moves, but since no player has any private information, players’ beliefs are determined only by their prior beliefs and (possibly) the outcome of the primary. We will show that the equilibrium is generically unique.<sup>11</sup>

**Discussion.** Our model includes uncertainty both about the distribution of voter ideal points, and about the intensity of anti-globalist sentiment. This allows us to incorporate uncertainty about which party will be a majority as well as uncertainty about whether anti-globalists constitute a majority, or perhaps not even a plurality. The probability of a  $\mathcal{R}$  majority,  $M_R$ , and the probabilities of an anti-globalist majority and plurality,  $M_A$  and  $P_A$  respectively, will be the important probabilities. The uncertainty about  $a$  captures that it is uncertain whether anti-globalists are polarized enough on this dimension to potentially turn to an Outsider candidate.

Elite influence is reflected in our baseline assumption that establishment candidates take the elite-preferred position inside their respective parties. While we endogenize the positions of establishment candidates in [Section 5](#), in the baseline model the anti-globalist position can only be taken by the Outsider. This generates a possible rationale for voters to embrace Outsiders *despite* perceived weaknesses in experience or competence.

In our model the Outsider can run in the primary or as a third party candidate but she cannot do both. In the United States, “sore loser laws” in many states are designed to impede the ability of candidates who lost a primary to launch a third-party campaign. That said, we could instead allow the Outsider to mount a third-party challenge, even if she is defeated in a primary contest, but assume she incurs cost to run in the primary, and an additional cost to contest the general election as an independent candidate. If this cost is neither too large or too small the Outsider would run in the primary or as a third party candidate, but not both, and our results are unchanged.

Finally, we assume that the Outsider chooses her entry strategy solely to maximize her prospect of winning—her first-order concern is not to influence the prospect that any other candidate wins, or to promote a policy agenda.<sup>12</sup> The prospect of winning need not be large:

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<sup>11</sup> A potential multiplicity arises because for a measure zero set of parameters, voters may be indifferent between two or more candidates, and for a measure zero set of parameters an Outsider may be indifferent between contesting the primary or general. We specify the following tie-breaking rule: if a voter is indifferent over a set of candidates, she always votes for a candidate with strictly higher expected quality than a candidate with strictly lower expected quality; amongst the set of candidates with the weakly highest expected quality, she always votes for a candidate that locates at a platform that includes her ideal policy on the traditional ( $x$ ) dimension. We further assume that if the Outsider is indifferent between contesting the primary or general she will run as a third party. This specification is sufficient for our benchmark presentation.

<sup>12</sup> This means, for example, that ours is not a model of policy-motivated third-party runs, such as those by

in fact, as in many real-world examples, it is possible that the Outsider will contest the primary even if her *absolute* probability of winning is small. What is important for the Outsider's decision is her *relative* prospects from a primary versus third-party entry.

### 3. Preliminary Results

We begin by deriving the Outsider's prospects from entering the electoral contest via the  $\mathcal{R}$  primary, or alternatively pursuing a third-party campaign.

We first observe that the Outsider *never* chooses to locate at the same policy as an establishment candidate, either in the primary or general election. The reason is that she would be sure to lose: voters would be indifferent between the Outsider and an establishment candidate on policy grounds, but anticipating a quality wedge of  $q > 0$  would unanimously prefer the establishment candidate.

Since a primary campaign would pit the Outsider against an establishment  $\mathcal{R}$  globalist, and a third-party campaign would have her compete against establishment globalists from both parties, the only way the Outsider can win is by campaigning either in the primary or in the general election on an anti-globalist platform. The Outsider's decision is therefore whether to enter in either stage on an anti-globalist platform, or instead stay out of the election altogether.

#### Outsider Entry in a Primary Campaign

We first consider the conditions under which the Outsider can win the  $\mathcal{R}$  primary, and subsequently the general election, on an anti-globalist platform. In the primary she receives no support from the party's globalist faction; thus, two conditions must be satisfied in order for her to win.

*First*, a primary victory requires anti-globalists to be a majority of the  $\mathcal{R}$  primary voters—something that occurs with probability  $M_A$ . *Second*,  $\mathcal{R}$  party voters that favor anti-globalist policies must care enough about the globalization cleavage to overlook the Outsider's quality disadvantage. The Outsider generates a payoff of zero to a voter with ideal policy  $(1, 0)$ . By contrast, the party's establishment globalist generates a policy cost  $-a$ , but also a quality benefit  $q$ . Anti-globalist voters will therefore support the Outsider in the  $\mathcal{R}$  primary if and only if:

$$0 > -a + q \iff a > q. \tag{2}$$

When condition (2) holds, we say that there is *moderate anti-globalism*.

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Ralph Nader in 2000 and 2004.

When both these conditions are satisfied, the Outsider wins the  $\mathcal{R}$  primary and advances to the general election as the party's nominee. Who votes for the Outsider in the general election? Anti-globalist voters located at  $(0, 1)$  preferred the Outsider to their own party's globalist establishment candidate, and so will also prefer her to the opposing party's globalist nominee. Conversely, globalists in party  $\mathcal{L}$ —located at  $(1, 1)$ —are represented by an establishment candidate who champions their most preferred policy, and so they will never support the Outsider.

The  $\mathcal{R}$  globalists and  $\mathcal{L}$  anti-globalists, on the other hand, face a non-trivial decision of whether to rally around their respective party's nominee, or instead to cross party lines and support the opposing party's candidate in the general election. To see why, consider each faction's preferences, in turn.

*$\mathcal{R}$  globalists.* The preferred candidate of the  $\mathcal{R}$  globalists was defeated in the primary, so these voters now face a choice between party  $\mathcal{L}$ 's establishment candidate, located at  $(0, 1)$ , and their Outsider nominee located at  $(1, 0)$ . These voters must therefore decide whether to rally around their party's candidate—despite her anti-globalist platform and inferior governing skills—or instead abandon their own nominee in favor of the  $\mathcal{L}$  globalist establishment candidate.

Recalling that the polarization of globalist voters on the globalism versus anti-globalism (vertical) issue cleavage is  $g > 0$ , and their polarization on the partisan (horizontal) issue cleavage is  $p > 0$ , we observe that the  $\mathcal{R}$  globalists vote for their nominee if and only if

$$-g > -p + q \iff p > g + q. \quad (3)$$

When condition (3) holds, globalist voters are sufficiently polarized in the partisan dimension that they will rally behind the Outsider in the general election, despite opposing her in the primary. When (3) holds we say that the election is *highly partisan*. In that event, an Outsider who wins the primary enters the general election with the unified support of her party.

*$\mathcal{L}$  anti-globalists.* Members of the anti-globalist faction in party  $\mathcal{L}$  must decide whether to rally around their party's candidate, located at  $(0, 1)$ —despite her globalist platform—or instead abandon their own nominee in favor of the  $\mathcal{R}$  anti-globalist nominee, accepting her lower governing skills and misalignment on the partisan issue as the price of better alignment on the globalization issue cleavage.  $\mathcal{L}$  anti-globalist voters abandon their party's establishment nominee if:

$$-p > -a + q \iff a > p + q. \quad (4)$$

Condition (4) is more stringent than condition (2): an  $\mathcal{L}$  anti-globalist must care enough about the globalization cleavage to outweigh both the Outsider's quality disadvantage and ideologi-

cal misalignment on the partisan issue cleavage. When condition (4) holds we say that there is extreme anti-globalism.

When the environment is highly partisan, i.e., (3) holds, the Outsider wins the general election after a successful primary challenge whenever  $\mathcal{R}$  voters constitute a majority of the voting population—something that happens with probability  $M_R$ . Even if the  $\mathcal{R}$  voters are a minority, the Outsider still wins under a highly partisan environment if she enjoys the support of the anti-globalist factions in both parties (i.e., (4) holds): by [Assumption 1](#) a unified  $\mathcal{R}$  party is sure to win if the  $\mathcal{L}$  globalists abandon their party's nominee.

The above discussion demonstrates that, conditional on a primary victory, the Outsider is better positioned than a globalist establishment candidate to win the general election on behalf of the  $\mathcal{R}$  party.

**Remark 1.** *In a highly partisan environment, the prospect that the  $\mathcal{R}$  nominee wins the general election is strictly higher if the Outsider wins the primary than if the establishment candidate wins the primary.*

To see why, recall that  $M_R$  is the probability that  $\mathcal{R}$  voters are a majority, and notice that in a highly partisan environment, when the Outsider wins the primary, her prospect of winning the general election is:

$$M_R + (1 - M_R) \Pr(a > p + q | a > q),$$

while the corresponding prospect that the elite's preferred candidate would have won the general election after winning the primary is  $M_R$ . The reason is that the Outsider is uniquely positioned to win over the opposing party's anti-globalists, while still commanding the support of both factions of her own party.

If, instead, the environment is not highly partisan,  $p < g + q$ , the Outsider anticipates that in the event of winning the primary, globalists in the  $\mathcal{R}$  party will abandon her. In that event, she wins the general election if and only if she can unite both parties' anti-globalist factions, and these factions collectively constitute a majority that can defeat the unified globalist vote in favor of the  $\mathcal{L}$  nominee.

*To summarize:* If the Outsider contests the primary when the environment is *not* highly partisan, she wins the election if anti-globalists are a majority of the electorate, and there is extreme anti-globalism. If, instead, the Outsider contests the primary when the environment is highly partisan, she wins the election if there is at least moderate anti-globalism and anti-globalists are a majority and *either* party  $\mathcal{R}$  voters are a majority *or* there is extreme anti-globalism. Recalling that  $M_A$  is the probability that anti-globalists are a majority of the electorate, we obtain the following lemma.

**Lemma 1.** *If the Outsider contests the primary, her prospect of winning is:*

$$M_A \Pr(a > p + q) + \mathbb{I}[p \geq g + q] M_A M_R \Pr(q < a < q + p). \quad (5)$$

Notice that the most favorable post-primary environment for an Outsider who has successfully contested the primary is one in which (i) her party is advantaged in the general election ( $M_R$  large) (ii) globalists are highly partisan and thus predominantly concerned with defeating the other party's nominee ( $p \geq g + q$ ), and (iii) anti-globalists are likely relatively more concerned with the emerging issue and so willing to vote across party lines ( $a > p + q$ ). The Outsider therefore fares best when the issue priorities of the different factions within the established parties at least partially diverge.

## Outsider Entry in a Third-Party Campaign

If the Outsider chooses to run as a third-party candidate, then in the general election both the  $\mathcal{R}$  and  $\mathcal{L}$  globalists will be represented by an establishment candidate who is perfectly aligned with their preferences. The Outsider thus runs on an anti-globalist platform,  $(1, 0)$ , in the hopes of uniting both parties' anti-globalist factions.

The Outsider receives the support of  $\mathcal{R}$  anti-globalists if there is *moderate anti-globalism* (i.e., (2) holds). Likewise, she receives the support of  $\mathcal{L}$  anti-globalists if there is *extreme anti-globalism* (i.e., (4) holds). In fact, absent extreme anti-globalism, the  $\mathcal{L}$  establishment nominee wins the support of the unified  $\mathcal{L}$  party; [Assumption 1](#), which guarantees that the unified  $\mathcal{L}$  electorate defeats either  $\mathcal{R}$  faction, implies that the Outsider loses. Hence:

**Remark 2.** *Extreme anti-globalism is necessary for the Outsider to win the election as a third-party candidate.*

Extreme anti-globalism is not sufficient, however, to guarantee the Outsider's victory as a third-party candidate. Since voters favoring globalist policies are divided between the parties, the Outsider wins if the remaining voters, who oppose these policies, constitute a plurality. Recalling that the probability of an anti-globalist plurality is  $P_A$  we get the following lemma.

**Lemma 2.** *If the Outsider did not run in the primary, she contests the election as a third party candidate on an anti-globalist platform. She wins the election if and only if there is extreme anti-globalism and there is an anti-globalist plurality. Thus, her prospect of winning the election is*

$$P_A \Pr(a > q + p). \quad (6)$$



## 4. A Primary or Third-Party Challenge?

We now consider the Outsider's preferred path to compete in the election. We show that a critical consideration for the Outsider is whether the environment is highly partisan.

Globalists not highly partisan (i.e., (3) fails): Suppose, first, that the environment is not highly partisan, in which case the Outsider expects that she will *not* receive the support of globalists within the  $\mathcal{R}$  party, even if she were to win the nomination. Lemma 1 reveals that, in this case, the Outsider's prospect of winning the election via a primary challenge is:

$$M_A \Pr(a > q + p). \tag{7}$$

In words, the Outsider wins a primary challenge only if anti-globalist voters are a *majority* and there is at least moderate anti-globalism ( $a > q$ ), but in the general she also needs the combined support of anti-globalists across *both* parties, which requires *extreme anti-globalism* ( $a > q + p$ ).

If, instead, the Outsider circumvents party elites entirely by competing as a third-party candidate, by Lemma 2 her probability of winning the election is given by (6),

$$P_A \Pr(a > q + p).$$

In words, while extreme anti-globalism is still necessary for the Outsider to win, by running as a third-party candidate she can win office even if anti-globalists are only a plurality. Comparing this with (7) reveals an unambiguous advantage from steering clear of the  $\mathcal{R}$  primary when the environment is not highly partisan, since  $P_A > M_A$ . We summarize our result.

**Proposition 1.** *If the environment is not highly partisan (i.e., (3) fails) the Outsider never contests the primary. Instead, she enters the contest in the general election as a third party candidate on an anti-globalist platform.*

This result highlights the critical role of inter-party polarization in creating the incentives for an Outsider challenge to take the form of a primary challenge in an established party.<sup>13</sup>

Globalists highly partisan (i.e., (3) holds): If, instead, globalist voters are highly partisan, the Outsider anticipates that she can rally both party factions in the event that she wins the  $\mathcal{R}$

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<sup>13</sup> Recall that our benchmark setting restricts the Outsider to run in the primary *or* as a third party candidate; when globalists are not highly partisan, however, the Outsider would derive no electoral benefit from the possibility of entering in both.

primary. [Lemma 1](#) reveals that her prospect of victory from a primary challenge is

$$M_A(M_R \Pr(a > q) + (1 - M_R) \Pr(a > q + p)). \quad (8)$$

To win the primary, the Outsider relies on an anti-globalist majority and at least moderate anti-globalism ( $a > q$ ). In the general, the Outsider then wins if there is either extreme anti-globalism—regardless of the total number of anti-globalists— or if the unified  $\mathcal{R}$  factions constitute a majority of the voting population. Comparison with the Outsider’s probability of winning via a third-party challenge reveals a non-trivial trade-off.

*Primary Campaign.* Entering the electoral contest through the party allows the Outsider to sometimes win the election even if there is only moderate, rather than extreme, anti-globalism: when  $q < a < q + p$ . The reason is that, after a primary victory, all  $\mathcal{R}$  voters will rally around the Outsider, who wins whenever the party’s support is a majority. And, extreme anti-globalism is sufficient to guarantee that the Outsider will win, since  $\mathcal{L}$ ’s anti-globalist voters will cross parties to support her.

*Third-Party Campaign.* Bypassing the party and pursuing a third-party challenge allows the Outsider to sometimes win the general election when anti-globalists are only a plurality of the electorate, allowing the Outsider to divide the globalist vote along party lines.

By comparing the Outsider’s prospect of winning if she competes in the primary, given by (8), to her prospect of winning as a third-party candidate, given by (6), we can identify the conditions under which the Outsider prefers one mode of entry into the election over another.

**Proposition 2.** *Suppose the environment is highly partisan (i.e. (3) holds). Then there exists a threshold  $\bar{x} \in (0, 1)$  such that the Outsider runs in the primary if  $\frac{1-F(p+q)}{1-F(q)} < \bar{x}$ , but contests the election as a third party candidate if  $\frac{1-F(p+q)}{1-F(q)} > \bar{x}$ .*

The ratio:

$$\frac{1 - F(p + q)}{1 - F(q)} \in (0, 1), \quad (9)$$

represents the prospect of extreme anti-globalism given at least moderate anti-globalism. When (9) is *small*, the Outsider anticipates that the intensity of anti-globalist sentiment is unlikely to be sufficient to induce voters to cross party lines. This encourages the Outsider to focus her efforts on  $\mathcal{R}$  partisans, gambling on an anti-globalist majority inside the party in order to win the primary. When (9) is *large*, the Outsider anticipates a high likelihood that anti-globalist sentiment will be of sufficient intensity to induce voters to cross party lines. This encourages her to circumvent the primary in order to have a chance at winning with only a plurality of support.

Notice that (9) decreases in partisan polarization,  $p$ , and vanishes as  $p$  becomes very large. As increasing  $p$  also increases the likelihood that the environment is highly partisan, ie., (3) is satisfied, a greater degree of inter-party polarization always makes a primary challenge relatively more appealing for the Outsider. Proposition 2 can therefore be re-stated in terms of partisan polarization: the Outsider will run in the primary if and only if inter-party  $p$  is sufficiently high.

**Corollary 1.** *Fixing all other primitives, there exists a threshold  $p^* \geq g + q$  such that the Outsider contests the primary if  $p > p^*$  and runs as a third party candidate if  $p < p^*$ .*

Corollary 1 then establishes that high polarization is not only necessary, but also sufficient, to guarantee that an Outsider challenge to a globalist establishment candidate will come through the primary. This is because increased polarization makes it easier to unite both factions in the party after winning the nomination *and* more difficult to unite the different anti-globalist factions—both forces make a primary challenge relatively more appealing.

We can also ask how changes in the Outsider’s beliefs about voter preferences affect her relative value from pursuing a primary challenge, rather than a third-party challenge.

**Corollary 2.** *The minimum level of polarization for which the Outsider contests the primary,  $p^*$ , is decreasing in  $M_R$  and  $M_A$  and increasing in  $P_A$ .*

While a change in the distribution of preferences could affect all three probabilities at once, Corollary 2 implies that the more electorally favored the  $\mathcal{R}$  party becomes, the more attractive it is for the Outsider to mount a primary, as opposed to a third-party, challenge. Thus, Outsider challenges are most likely to wrest control from elite-backed candidates in a highly polarized environment, and such challenges are more likely to come in the majority party.<sup>14</sup>

## 5. Elite Response to Outsider Threat

Our analysis raises a natural question: under what conditions can party elites head off the prospect of a primary or third-party challenge? And, even if have the ability to block an Outsider from running in the primary, would party elites be prepared to do so? To address these and other questions, we extend the game to allow the elite to be able to respond to the potential Outsider challenge.

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<sup>14</sup>For example, our model would predict that Roy Moore in Alabama in 2017, or David Brat in Virginia’s 7th district in 2014, had a greater incentive to mount a primary challenge than run as third party challenge because the Republican party was strongly advantaged.

We consider two contexts, reflecting real-world variation in the extent to which party leaders can influence and control nomination processes.

**Strong Party Elites.** First, we suppose that party elites have the power to keep the Outsider out of the primary contest. This corresponds to a context in which elite control of candidate nominations is near-complete, for example where top-down intra-party hierarchies allow party leaders to forestall the rise of mis-aligned candidates.<sup>15</sup>

Formally, we extend our benchmark setting to allow the  $\mathcal{R}$  elite to bar the Outsider's entry in to the  $\mathcal{R}$  primary. This choice is triggered if and only if the Outsider attempts to run a primary challenge; if the elite bars her entry, the Outsider may run as a third-party candidate.

**Proposition 2** identifies conditions under which the Outsider would prefer to mount a primary challenge, if her entry were not barred by the  $\mathcal{R}$  elite. Suppose, therefore, that these conditions hold. What are the trade-offs faced by the party elite?

Allowing the Outsider into the  $\mathcal{R}$  primary raises the total prospect that she is elected on an anti-globalist platform. This harms the  $\mathcal{R}$  elite both because it dislikes anti-globalist policies (via preference parameter  $g$ ) and because it prefers establishment candidates over inexperienced candidates (via quality parameter  $q$ ).

However, barring the Outsider from the party also raises the specter of a third-party challenge that will divide  $\mathcal{R}$  voters into their globalist and anti-globalist factions, against a united  $\mathcal{L}$  party. A third-party challenge by the Outsider is especially damaging to the  $\mathcal{R}$  elite: even if unsuccessful, the Outsider's presence in the general election raises the prospect that the  $\mathcal{R}$  vote is divided ensuring that the  $\mathcal{L}$  nominee wins the election. This harms the elite in proportion to  $p$ . In particular:

**Proposition 3.** *If there is sufficiently large inter-party ideological polarization,  $p$ , then the  $\mathcal{R}$  elite would not stop the Outsider from challenging its preferred establishment candidate in the primary, even if it had the ability to do so.*

As the  $\mathcal{R}$  elite becomes more concerned with keeping the  $\mathcal{L}$  nominee from power, its conflict of interest with the Outsider declines: the elite prefers to face the general election with a united  $\mathcal{R}$  party—even at the cost of potentially nominating an anti-globalist candidate of dubious quality—to give its nominee the best possible chance of winning. Recall that **Corollary 1** demonstrates that a high  $p$  is precisely when the Outsider would choose to contest the primary,

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<sup>15</sup> The case of Marco Enríquez-Ominami being blocked from the *Concertación* nomination in Chile, as discussed in the Introduction, is one example of a strong party elite.

so high inter-party polarization is when Outsiders will choose to contest the primary and elites would choose not to exclude them from the party.

**Weak Party Elites.** In many contexts, including the United States, party elites may not have the power to prevent the Outsider from participating in the party's nomination process.<sup>16</sup> However, her appeal in a primary contest hinges on her ability to offer policies that would otherwise go unrepresented by establishment candidates favored by the party's elite.

Even though a weak party elite cannot restrict the Outsider from entering the primary, it may be able to find indirect ways to deter her entry. Suppose, in particular, that the elite can find a high-quality candidate to represent the party's anti-globalist faction in the primary, competing against its most preferred globalist candidate. This corresponds to an inclusive primary contest in which *both* the party's globalist and anti-globalist factions are represented by high quality candidates. For ease of exposition we again focus on the case in which an Outsider challenge would come through the primary.<sup>17</sup>

We extend the game so that, before the Outsider makes her entry decision, the  $\mathcal{R}$  elite decides whether to hold an *inclusive* primary, in which both globalist and anti-globalist factions within the party are represented by an elite-endorsed establishment candidate, or instead to endorse only a globalist establishment candidate. The Outsider observes the elite's choice before deciding whether to enter the primary, and we also assume that the Outsider stays out of the election entirely if she is certain to lose regardless of whether she were to mount a primary or third-party challenge.<sup>18</sup> We continue to assume that the conditions of [Proposition 2](#) are met, so that the Outsider would enter the  $\mathcal{R}$  primary if the anti-globalist position were left unrepresented.

Notice that if the elite holds an inclusive primary the Outsider can never mount a successful primary challenge—both factions have a higher quality establishment candidate available and so never support the Outsider. The difference with the case of strong party elites is that the party elite's preferred candidate must now compete against a high quality establishment anti-globalist in the primary, and, perhaps more troubling, the Outsider will enter the general elec-

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<sup>16</sup> Party elites in the United States parties would be considered weak by this definition. This is demonstrated—for example—by the ability of former KKK Grand Wizard David Duke to contest Presidential, Governor and Senate primaries despite being repudiated by his party.

<sup>17</sup> The details for the case in which the Outsider would prefer to run as a third party candidate are available on request.

<sup>18</sup> In our benchmark presentation, the Outsider always wins with positive probability, so imposing that she stays out of the contest when she loses with probability one has no consequence. In this extension, the assumption strengthens the  $\mathcal{R}$  elite's relative value from holding an inclusive primary. To see why, notice that the  $\mathcal{R}$  elite values the ability to stop the Outsider from running a third-party campaign, since her candidacy divides the  $\mathcal{R}$  vote.

tion as a third-party anti-globalist if the elite’s preferred candidate wins the primary. More generally, the decision to hold an inclusive primary always raises the prospect that an anti-globalist will win the election. This harms the elite in proportion to  $g$ , generating our next result.

**Proposition 4.** *There exists a threshold  $g^*$  such that, whenever the Outsider prefers to enter the primary after the elite endorses only a globalist, the party elite prefers to endorse only a globalist, if and only if  $g > g^*$ .*

Recall that the condition  $p > g + q$ —i.e., a highly partisan environment—is necessary for the Outsider to favor primary entry. This condition is equivalent to  $g < p - q$ : the Outsider will only contest the primary when  $g$  is not *too large* relative to  $p$ . On the other hand, [Proposition 4](#) states that the elite prefers to endorse only a globalist—therefore creating the prospect for primary entry by the Outsider—only when  $g$  is not *too small*. A natural question, therefore, is whether there are primitives that ensure both conditions can hold.

Recall that  $M_R$  is the prospect of an  $\mathcal{R}$  majority, and  $M_A$  is the prospect of an anti-globalist majority. The following proposition provides necessary conditions as well as sufficient conditions for the elite not to hold an inclusive primary.

**Proposition 5.**  *$g^* < p - q$  if  $M_R$  is sufficiently large, and*

1.  $M_A$  or  $F(q)$  is sufficiently small, or
2.  $p$  is sufficiently large.

*Conversely,  $g^* \geq p - q$  if  $M_A$  is sufficiently large and*

1.  $M_R$  or  $p$  is sufficiently small, or
2.  $F(q)$  is sufficiently large.

The sufficient conditions in the first part of [Proposition 5](#) show that there are, indeed, parameters for which, even if weak party elites are capable of blocking an Outsider primary challenge, they will fail to do so. The necessary conditions in the second part, in contrast, provide predictions as to when we *cannot* observe a primary challenge. Given [Corollary 1](#), [Propositions 4](#) and [5](#) elucidate the contexts in which primary challenges are likely to be observed in parties where elites do have the ability to simply deny Outsider participation by fiat.

*First*, polarization must be sufficiently high that the Outsider will contest the primary if the elite endorses only a globalist. *Second*, elites cannot believe that the Outsider is too likely to win the primary. If the prospect of an anti-globalist majority,  $M_A$ , is large, and either inter-party ideological polarization is low, or the party is unlikely to be a majority of the electorate, elites

would choose to hold an inclusive primary. In particular, *Outsider primary challenges can only arise when ex-ante their victory would be a surprise to the elite*: a primary victory is only possible when a primary challenge is likely to fail. Nonetheless, [Remark 1](#) notes that conditional on winning the primary, the Outsider’s prospect of winning the general election may be strictly higher than for a globalist establishment candidate.

## 6. Extensions and Robustness

We now consider some extensions of the baseline model.

**Optimal Third Party Platform** Our benchmark setting restricts the policy space to  $\{0, 1\}^2$ , and further restricts the Outsider to locate at one of the two policies associated with party  $\mathcal{R}$ , either  $(1, 0)$  or  $(1, 1)$ . An alternative possibility is that parties have developed reputations that constrain the set of policies they can credibly offer to this set but, by contrast, a new party or candidate who enters the election as an independent may not be similarly constrained.

We continue to suppose that an Outsider who contests the  $\mathcal{R}$  primary is forced to adopt the  $x = 1$  policy.<sup>19</sup> However we capture the idea that a third-party candidate may not be constrained by the policies associated with established parties by allowing her to choose *any* policy in  $[0, 1]^2$ . Given this additional flexibility, what policy will she choose?

If the Outsider enters the general election she cannot win the support of globalists in either party: both factions are already represented by an establishment candidate that perfectly reflects their policy preferences. Further, [Assumption 1](#) implies that unless the Outsider wins the support of *both* parties’ anti-globalist factions, she loses the election. It is immediate that she must adopt an anti-globalist platform, i.e.,  $y = 0$ , in order to maximize her appeal to the set of potential supporters. That is, she opts to differentiate herself maximally from the established parties on the issue where they are in consensus.

With respect to the traditional cleavage, however, anti-globalists are divided. If the Outsider adopts a policy  $x \in [0, 1]$ , her prospect of winning the support of both anti-globalist factions is:

$$\Pr(a > q + \max\{x, 1 - x\}),$$

which is maximized by adopting the compromise policy  $x = 1/2$ , the centrist economic policy. That is, the Outsider opts to pursue a compromise position with respect to the issue that polarizes the established parties.

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<sup>19</sup> See [Krasa and Polborn \(2014\)](#) for a model of electoral competition in which the policies of candidates are fixed in one dimension.

The Outsider’s ability to locate at any platform as a third-party candidate gives her a greater chance to win the general election as a third-party candidate; this raises her relative value from a third-party run versus a primary challenge. Nonetheless, if inter-party issue polarization  $p$  is sufficiently large, the Outsider anticipates a sufficiently low prospect of uniting the anti-globalist factions across party lines, and she continues to enter the election through a primary contest. Recalling the definition of  $p^*$  from [Corollary 1](#) we have the following result.

**Proposition 6.** *If the Outsider enters the election as a third-party candidate she chooses policy  $(1/2, 0)$ . If  $p \leq p^*$ , the Outsider runs as a third-party candidate; conversely, if  $p$  is sufficiently large, the Outsider runs in the  $\mathcal{R}$  primary.*

[Proposition 6](#) shows that, on the issue that polarizes the main parties, a third party candidate adopts a centrist position, but on the issue highlighting consensus between the established parties she chooses a policy that differentiates herself as much as possible. Hence she adopts a platform that is economically centrist, and wholly anti-globalist. The possibility to offer a broader range of policies running as a third party reduces, but does not eliminate, the incentive to contest the primary.

**Primaries in *Both* Parties.** Our benchmark analysis presumes that the  $\mathcal{L}$  party is certain to nominate an establishment globalist candidate, and focuses on the prospect of Outsider entry in the  $\mathcal{R}$  party. This raises a number of questions. In particular, how would the relative value of a primary challenge in one party be affected by the possibility of a similar anti-globalist primary challenge in the other?

To address this question, we extend our benchmark model so that each party faces a threat of entry from an Outsider candidate, and that each Outsider simultaneously decides whether to enter the primary of their party, or instead run as a third-party candidate. As in our benchmark setting, one Outsider can only credibly offer one of the  $\mathcal{R}$  policies (i.e., either  $(1, 0)$  or  $(1, 1)$ ) and one Outsider can only credibly offer one of the  $\mathcal{L}$  policies (i.e.,  $(0, 0)$  or  $(0, 1)$ ). Further, we specialize the distribution of voter ideal policies by assuming  $M_R = 1/2$  and so either party is equally likely to be the majority. Finally, we focus on parameters for which the environment is highly partisan, i.e.,  $p > g + q$ .

The prospect of Outsider entry at a platform associated with one of the major parties changes the remaining Outsider’s relative value from entry in the other party’s primary. To see why, notice that if an Outsider secures the  $\mathcal{L}$  party nomination as an anti-globalist—or offers this platform as a third-party candidate—the remaining Outsider can *never* win the support of  $\mathcal{L}$  anti-globalists in the general election. If the Outsider had entered and won the  $\mathcal{R}$  primary, she therefore relies entirely on the support of unified  $\mathcal{R}$  party voters—both anti-globalists *and* globalists.



If, instead, she runs as a third-party candidate, she secures more votes than the  $\mathcal{R}$  globalist establishment nominee only if there is at least moderate anti-globalism *and* anti-globalists are a majority of the  $\mathcal{R}$  party—conditions under which she would have won a primary challenge.

We show that there is a level  $\bar{p}$  such that, if and only if inter-party ideological polarization  $p$  is above this threshold, both Outsiders strictly prefer to enter via primary challenges. Recalling that  $p^*$  was the necessary and sufficient level of inter-party ideological polarization to sustain a primary challenge in our benchmark setting, the above discussion implies that  $\bar{p}$  is lower than  $p^*$  (when  $M_R = 1/2$ ). If inter-party polarization is below  $\bar{p}$ , there is a unique symmetric equilibrium in which both Outsiders randomize over each possible mode of entry.<sup>20</sup>

**Proposition 7.** *Suppose  $M_R = 1/2$ . Then there exists a threshold amount of inter-party issue polarization,  $\bar{p}$ , with  $g + q \leq \bar{p} \leq p^*$ —and  $\bar{p} < p^*$  unless  $p^* = g + q$ —such that,*

1. *if  $p \geq \bar{p}$ , there exists a unique equilibrium, in which both Outsiders contest a primary election as anti-globalists.*
2. *if  $p \in [q + g, \bar{p})$ , there exists a unique symmetric equilibrium in which both Outsiders randomize over a primary versus third-party challenge; in either case, they always adopt anti-globalist platforms.*

We again get the conclusion that primary challenges are more likely when inter-party polarization is higher. In addition, this result highlights that when there is the threat of a primary in the other party, this (at least weakly) increases the likelihood of an Outsider contesting the primary. Note that, although we focus on a highly partisan environment, in the baseline model an Outsider never contests the primary if the environment is not highly partisan. Hence the possibility of Outsider challenges from both ends of the spectrum can only increase the likelihood of a primary challenge for those parameters as well.

**Outsider With a Quality Advantage.** Our benchmark setting endows establishment candidates with a perceived quality advantage vis-a-vis Outsider candidates,  $q > 0$ . This advantage may derive from prior governing experience, or the perception of a more stable temperament. In some contexts, however, voters may assign a higher perceived quality to the Outsider vis-a-vis establishment candidates from major parties. This may derive from characteristics of the Outsider—such as a record of success in private enterprise—or negative valence on the part of

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<sup>20</sup> There are also asymmetric equilibria in which one candidate enters via one party's primary, and the other runs a third-party campaign—in all cases, however, candidates offer anti-globalist platforms.

the established parties.<sup>21</sup>

To capture these contexts, we allow for the possibility that  $q < 0$ . This implies that if voters are indifferent between the Outsider and an establishment candidate on policy grounds, voters nonetheless strictly prefer to vote for the Outsider. This means that, for a range of parameters, the Outsider's position will depend on the perception of her ability: the Outsider would take the traditional position already occupied by an establishment candidate if advantaged but differentiate herself if she has a quality disadvantage.<sup>22</sup>

However for other parameters the Outsider will still run as an anti-globalist, just as in our benchmark setting, because it continues to raise her appeal to anti-globalist voters in *both* parties. The only reason that she would adopt a globalist platform is to avoid alienating  $\mathcal{R}$  globalists. But, if establishment candidates are sufficiently unpopular, i.e.,  $q < -g$ , globalist voters prefer an anti-globalist Outsider to a globalist establishment candidate. In this context, the advantage of appealing to anti-globalists across parties outweighs the advantage of locating at the same position as an establishment candidate. More generally, if  $q < -g$ , the Outsider at least weakly prefers to compete as an anti-globalist, either in the primary election or as a third-party candidate. And, if  $-p < q < -g$ , her prospect of winning is *strictly* greater when she runs as an anti-globalist.

## 7. Conclusion

Our paper analyzes electoral competition in a setting with ideological polarization both *between* and *within* parties, and a threat of Outsider entry either via a primary challenge or a third-party campaign. We asked: When do voters prefer to support Outsider candidates instead of candidates who have the endorsement and support of the party establishment? What forces shape an Outsider's decision to enter an election through an established political party, rather than campaigning as a third-party candidate? And, why might party elites fail to take the necessary steps to mitigate the Outsider threat?

The appeal of Outsiders turns on their ability to adopt policies that are misaligned with party elites but may have substantial appeal amongst rank-and-file voters. In turn, established

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<sup>21</sup> A plausible context in which the Outsider held a perceived quality advantage is Emmanuel Macron in the French presidential election of 2017 or Michael Bloomberg in his 2001 campaign for Mayor of New York City.

<sup>22</sup> Our analysis highlights the sources of different strategies pursued by Outsider candidates: those perceived as intrinsically better may campaign on traditional policies whereas those perceived to be less able must exploit latent issue cleavages. Our logic is similar to [Bernhardt and Ingerman \(1985\)](#), [Groseclose \(2001\)](#) and [Aragones and Palfrey \(2002\)](#) who find that those with a quality advantage will locate closer to the expected median, whereas disadvantaged candidates must differentiate themselves with policies further from the expected median.

parties become an increasingly attractive target for Outsider candidates as these parties become more electorally advantaged and as inter-party polarization increases. The reason is that it is in precisely these circumstances that Outsiders are willing to risk early defeats for the prize of a general election campaign with unified support of the party's factions. Paradoxically, this implies that elite control over party nominations diminishes under the same circumstances, and sheds light on the contemporary US paradox of "strong partisanship, weak parties" (Azari, 2016). Even if party elites *could* prevent the Outsider's entry into the party nomination process, they may prefer not to use this power in order to head off a third-party challenge that would divide its base. This incentive, too, increases as party elites become more polarized on the inter-party issue cleavage and when the elite perceives the Outsider threat as weaker.

Our results offer a novel framework for understanding how electoral competition is impacted by emerging cleavages within political parties, as well the rise of non-traditional candidates. We also believe there are a number of promising directions for future research using this framework. It would be particularly interesting to study dynamic elections, and consider when parties are able to adjust to disagreements along emerging cleavages, and when instead, emergent issues trigger a partisan realignment dividing the parties along the emergent issue. It would also be interesting to further explore the internal organization of political parties and how they are affected when an Outsider manages to win control after a successful primary challenge. Under what conditions can the Outsider's faction become the new party elite, and how would this possibility affect the urgency with which party elites attempt to head off the Outsider threat? We leave these, and other questions, to future research.

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## Appendix: Proofs of Propositions

Lemma 2 and Proposition 1 are proven in the main text.

**Proof of Proposition 2.** Suppose  $p > g + q$ . By (6), the probability with which the Outsider wins the election as a third-party candidate by locating at  $(1, 0)$  is

$$P_A(1 - F(p + q)).$$

If, instead, the Outsider locates at  $(1, 0)$  in the  $\mathcal{R}$  primary, by (8) her prospect of winning is:

$$M_A(M_R(1 - F(q)) + (1 - M_R)(1 - F(p + q))).$$

Thus a primary challenge is preferred if and only if

$$\frac{1 - F(p + q)}{1 - F(q)} \leq \frac{M_A M_R}{P_A - M_A(1 - M_R)} \equiv \bar{x}. \quad (10)$$

Since  $M_A < P_A$ , it follows that  $\bar{x} \in (0, 1)$ .  $\square$

Corollary 1 and Corollary 2 are immediate from inspection of (22).  $\square$

**Proof of Proposition 3.** Suppose that Outsider prefers to contest the election by entering the  $\mathcal{R}$  primary on an anti-globalist platform, and party elites are strong. If the elite does not stop the Outsider from doing so, its expected payoff is:

$$\begin{aligned} & M_A M_R \left[ \begin{array}{c} (1 - F(q))(-g) \\ + F(q)q \end{array} \right] + M_A(1 - M_R) \left[ \begin{array}{c} (1 - F(p + q))(-g) \\ + F(p + q)(q - p) \end{array} \right] \\ & + (1 - M_A)M_R q + (1 - M_A)(1 - M_R)(q - p) \equiv \lambda_1(p). \end{aligned} \quad (11)$$

If the elite blocks the Outsider's entry, the Outsider instead mounts a third-party campaign on an anti-globalist platform, generating the following expected payoff to the  $\mathcal{R}$  elite:

$$\begin{aligned} & (1 - F(p + q)) \left[ \begin{array}{c} P_A(-g) + (1 - P_A)M_R q \\ + (1 - P_A)(1 - M_R)(q - p) \end{array} \right] + (F(p + q) - F(q))(q - p) \\ & + F(q) \left[ M_R q + (1 - M_R)(q - p) \right] \equiv \lambda_2(p). \end{aligned} \quad (12)$$

We observe:

$$\begin{aligned} \lim_{p \rightarrow \infty} [\lambda_1(p)/p - \lambda_2(p)/p] &= -(1 - M_R) - [-(1 - F(q)) - F(q)(1 - M_R)] \\ &= (1 - F(q))(1 - (1 - M_R)), \end{aligned} \quad (13)$$

which is strictly positive.  $\square$

**Proof of Proposition 4.** Suppose that party elites are weak, and the Outsider prefers to contest the election by entering the  $\mathcal{R}$  primary on an anti-globalist platform, in the event that there is no establishment candidate at this location. If the elite endorses only a globalist, its expected payoff is given by (11). If, instead, the elite endorses both a globalist and an anti-globalist, the Outsider stays out of the primary and the anti-globalist wins if and only if anti-globalists are a majority. If the anti-globalist candidate wins, the Outsider stays out of the election: she can only win (at most) the support of  $\mathcal{R}$  globalists, who are less numerous than the  $\mathcal{R}$  anti-globalists supporting the  $\mathcal{R}$  nominee. If, however the globalist wins the primary, the Outsider will run as a third-party candidate on the anti-globalist platform. Combining the cases we see that the elite's expected payoff is:

$$\begin{aligned} &M_A M_R (q - g) + M_A (1 - M_R) \left[ (1 - F(p))(q - g) + F(p)(q - p) \right] \\ &+ \Pr(1/2 \geq A \geq R(1 - A), R > 1/2) \left[ \begin{array}{c} (1 - F(p + q))(-g) \\ + (F(p + q) - F(q))(q - p) + F(q)q \end{array} \right] \\ &+ \Pr(1/2 \geq A \geq (1 - R)(1 - A), R < 1/2) \left[ (1 - F(p + q))(-g) + F(p + q)(q - p) \right] \\ &+ \Pr(1 - R \geq \max\{1/2, A/(1 - A)\}) (q - p) \\ &+ \Pr(R \geq \max\{1/2, A/(1 - A)\}) (q - (F(p + q) - F(q))p). \end{aligned} \quad (14)$$

Letting  $\phi(g)$  denote the difference of (11) and (14), we find that  $\phi'(g) > 0$ . We set

$$g^* = \begin{cases} 0 & \text{if } \phi(0) \geq 0 \\ \phi^{-1}(0) & \text{if } \phi^{-1}(0) \in (0, p - q) \\ p - q & \text{otherwise.} \end{cases} \quad (15)$$

**Proof of Proposition 5.** Setting  $g = p - q$ , (11) simplifies to:

$$q - M_A M_R (1 - F(q))p - (1 - M_R)p, \quad (16)$$

while (14) simplifies to

$$\begin{aligned}
& q + M_A M_R (q - p) + M_A (1 - M_R) \left[ (1 - F(p))(q - p) + F(p)(-p) \right] \\
& - \Pr(A < 1/2, R < \max\{1/2, A/(1 - A)\})p \\
& - \Pr(A < 1/2, R \geq \max\{1/2, A/(1 - A)\})(F(p + q) - F(q))p.
\end{aligned} \tag{17}$$

Suppose  $M_R = 1$ ; then, the first expression is  $q - M_A(1 - F(q))p$ , while the second is strictly less than  $q + M_A(q - p)$ . Therefore, a sufficient—but not necessary—condition for the first expression to be larger than the second is that  $pF(q) > q$ . Similarly, if  $M_R = 1$  and  $M_A$  is sufficiently close to 0, the first expression is larger than the second.

Conversely, suppose  $M_A = 1$ . Then, the first expression simplifies to  $q - p(M_R(1 - F(q)) + (1 - M_R))$ , while the second simplifies to  $q + (M_R(q - p) + (1 - M_R)((1 - F(p))(q - p) - F(p)p))$ . Thus, the net value of endorsing both a globalist and an anti-globalist establishment candidate is positive to the  $\mathcal{R}$  elite if and only if  $M_R F(q)p < q(1 - F(p)(1 - M_R))$ . This could be true either because  $p$  is small,  $F(q)$  is small, or  $M_R$  is small.  $\square$

**Proof of Proposition 6.** The first claim is proven in the text, so we focus on the second claim. If the Outsider contests the primary, then her probability of winning is

$$M_A(M_R(1 - F(q)) + (1 - M_R)(1 - F(q + p))).$$

Conversely, if she runs as a third-party candidate on platform  $(1/2, 0)$ , her probability of winning is

$$P_A(1 - F(p + q) + F(p + q) - F(p/2 + q)).$$

It follows that she prefers to run as a third-party candidate if and only if

$$(1 - F(p + q))(P_A - M_A(1 - M_R)) + [F(p + q) - F(p/2 + q)]P_A \geq (1 - F(q))M_A M_R. \tag{18}$$

Recalling that, in our benchmark setting, the corresponding condition is:

$$(1 - F(p + q))(P_A - M_A(1 - M_R)) \geq (1 - F(q))M_A M_R, \tag{19}$$

we observe that whenever (19) holds, (18) also holds. This implies that whenever the Outsider prefers a third-party challenge in which she locates at  $(1, 0)$ , she strictly prefers a third-party challenge in which she locates at  $(1/2, 0)$ . Finally, notice that as  $p \rightarrow \infty$ , the the LHS of (18) tends to zero, while the RHS is strictly positive and constant in  $p$ . Thus, for  $p$  large enough, the



inequality fails, implying that the Outsider prefers a primary challenge at the platform  $(1, 0)$  instead of a third-party challenge at the platform  $(1/2, 0)$ .  $\square$

**Proof of Proposition 7.** As the environment is highly partisan by assumption, i.e.,  $p > g + q$ , the globalists in each party will always support their nominee in the general. We proceed by considering the best response of a  $\mathcal{R}$ -Outsider to each entry decision of the  $\mathcal{L}$ -Outsider. As in the baseline model, each Outsider can only win with positive probability by adopting an anti-globalist platform.

Suppose, first, that the  $\mathcal{L}$  candidate runs a third-party campaign. If the  $\mathcal{R}$ -Outsider runs in the primary, she wins the primary if and only if  $A > .5$ , and  $a > q$ . Then, in the general, since there is moderate anti-globalism, the  $\mathcal{L}$  voters are divided between the establishment candidate and the  $\mathcal{L}$ -Outsider. As the  $\mathcal{R}$  party is united behind her, the Outsider wins in the general election for sure. Hence the  $\mathcal{R}$ -Outsider's probability of winning the election by contesting the primary is

$$M_A(1 - F(q)).$$

If, instead, the  $\mathcal{R}$ -Outsider runs as a third-party candidate then to win she must receive more votes than the  $\mathcal{R}$  establishment candidate, as well as the  $\mathcal{L}$  establishment candidate and the  $\mathcal{L}$ -Outsider. To receive more votes than the  $\mathcal{R}$  candidate again requires that  $A > .5$ , and  $a > q$ . In addition, to receive more votes than the  $\mathcal{L}$ -Outsider in the general requires  $\mathcal{R}$  voters to be a majority. Hence the probability of winning the election is

$$M_A(1 - F(q))M_R = \frac{M_A(1 - F(q))}{2}.$$

It is then immediate that, if the  $\mathcal{L}$ -Outsider runs as a third-party candidate, the  $\mathcal{R}$ -Outsider is more likely to win the election by running in the  $\mathcal{R}$  primary.

Suppose, second, that the  $\mathcal{L}$  candidate runs in the primary. If the  $\mathcal{R}$ -Outsider also contests the primary she wins if and only if the  $\mathcal{L}$ -Outsider also wins, and so she wins in the general election with probability  $M_R = 1/2$ . Hence her probability of winning is

$$M_A(1 - F(q))M_R = \frac{M_A(1 - F(q))}{2}.$$

If, instead, the  $\mathcal{R}$ -Outsider runs as a third-party candidate she can only win if the  $\mathcal{L}$  party nominates a globalist: otherwise  $\mathcal{L}$  party would unite between their nominee and the  $\mathcal{R}$  voters would divide between the establishment candidate and the Outsider. If the  $\mathcal{L}$  establishment candidate wins the primary then, in the general, the Outsider would need to unite both anti-

globalist factions and have the anti-globalists constitute a plurality. Hence, her probability of winning the election is

$$(P_A - M_A)(1 - F(p + q))$$

It then follows that the Outsider will contest the primary if and only if

$$\frac{1 - F(p + q)}{1 - F(q)} < \frac{M_A}{2(P_A - M_A)}.$$

Note that the LHS is decreasing in  $p$  and tends to zero as  $p \rightarrow \infty$  whereas the RHS is constant and strictly positive for all  $p$ . It then follows that, if the  $\mathcal{L}$ -Outsider contests the primary, there exists a  $\bar{p} \geq g + q$  such that the  $\mathcal{R}$ -Outsider's best response is to run in the primary if  $p > \bar{p}$  and to run as a third-party candidate if  $p < \bar{p}$ . It then follows that, for  $p > \bar{p}$ , the  $\mathcal{R}$ -Outsider's payoff is strictly higher from running in the primary regardless of the  $\mathcal{L}$ -Outsider's strategy. Hence, in equilibrium, the  $\mathcal{R}$ -Outsider runs in the primary and, by symmetry, the  $\mathcal{L}$ -Outsider must also run in the primary. If  $\bar{p} = g + q$ , we are done.

Suppose, instead,  $[g + q, \bar{p})$  is a non-empty interval and  $p \in [g + q, \bar{p})$ . Then, the  $\mathcal{R}$ -Outsider's ( $\mathcal{L}$ -Outsider's) prospect of winning is strictly higher from running in the primary if the  $\mathcal{L}$ -Outsider ( $\mathcal{R}$ -Outsider) runs a third-party campaign, and is strictly higher from running a third-party campaign if the  $\mathcal{L}$ -Outsider ( $\mathcal{R}$ -Outsider) runs in the primary. Hence, by symmetry, there exists a unique  $\sigma^* \in (0, 1)$  such that it is an equilibrium for each Outsider to run in the primary with probability  $\sigma^*$  and run as a third-party candidate otherwise.

Finally, recall that, in our benchmark setting with only one Outsider, that if  $p^* > g + q$  then  $p^*$  solves:

$$\frac{1 - F(p^* + q)}{1 - F(q)} = \frac{M_A M_R}{P_A - M_A(1 - M_R)} \equiv \bar{x}. \quad (20)$$

As  $M_R = 1/2$  this is equivalent to:

$$\begin{aligned} \frac{1 - F(p^* + q)}{1 - F(q)} &= \frac{M_A}{2P_A - M_A} \\ &< \frac{M_A}{2(P_A - M_A)} \\ &= \frac{1 - F(\bar{p} + q)}{1 - F(q)}. \end{aligned} \quad (21)$$

We conclude that  $\bar{p} < p^*$ .  $\square$

## A. Supplementary Appendix to “Crashing the Party?”

In the baseline model we assumed that: (1) the fraction of anti-globalists in each party is the same (2) the fraction of anti-globalists and  $\mathcal{R}$  voters is independent. In this Supplementary Appendix we demonstrate that neither of these assumptions is critical for our conclusions about the Outsider’s entry decisions. We again fix the  $\mathcal{L}$  nominee and the  $\mathcal{R}$  establishment candidate and consider the Outsider’s choice to enter in the  $\mathcal{R}$  party primary vs as a third-party candidate.

We let  $R_G$  denote the mass of voters located at  $(1, 1)$ , i.e., that favor low redistribution and globalist policies, and  $R_A$  denote the mass of voters located at  $(1, 0)$ , i.e., that favor low redistribution and anti-globalist policies. Likewise,  $L_G$  denotes the mass of voters located at  $(0, 1)$  and  $L_A$  denotes the mass of voters located at  $(0, 0)$ . The total mass of voters in party  $\mathcal{L}$  is therefore  $L \equiv L_A + L_G$ , and the total mass of voters in party  $\mathcal{R}$  is  $R \equiv R_A + R_G$ , and the total mass of anti-globalists is  $A \equiv R_A + L_A$ . Letting  $(R_G, R_A, L_G, L_A)$  be drawn from any atomless distribution over  $\Delta \equiv \{(R_G, R_A, L_G, L_A) \in [0, 1]^4 : R_G + R_A + L_G + L_A = 1\}$ , we can adapt the [Assumption 1](#) to this environment.

**Assumption 2.** *The distribution of voters’ ideal policies satisfies the following properties:*

1.  $\Pr(L > \max\{R_G, R_A\}) = \Pr(R > \max\{L_G, L_A\}) = 1$ ,
2.  $\Pr(R > .5) \in (0, 1)$
3.  $\Pr(R_A > R_G) \in (0, 1)$ .

[Assumption 2](#) is similar to [Assumption 1](#) except that instead of assuming it is uncertain whether there is an anti-globalist majority in the population (which, in the baseline model, was equivalent to an anti-globalist majority in  $\mathcal{R}$ ) our assumption applies only to the likelihood of an anti-globalist majority in the  $\mathcal{R}$  party, the party in which a primary challenge potentially occurs.

We now show that our main result about when Outsider-challenges coming through the party also holds when we relax our distributional assumptions.

**Proposition A.1.** *Fixing all other primitives, there exists a threshold  $p^* \geq g + q$  such that the Outsider contests the primary if  $p > p^*$  and runs as a third-party candidate if  $p < p^*$ . Furthermore, for any change in beliefs about the distribution of preferences such that  $\Pr(R_A > R_G, R > L)$  weakly increases, and  $\Pr(A > \max\{R_G, L_G\})$  weakly decreases, with at least one equality strict, then  $p^*$  decreases.*

**Proof.** We first note that, if  $p < g + q$ , the Outsider is always worse off running in the primary, since dividing the globalist vote always increases the Outsider's chances. Suppose  $p > g + q$ . The probability with which the Outsider wins the election as a third-party candidate by locating at  $(1, 0)$  is

$$\Pr(A > \max\{R_G, L_G\})(1 - F(p + q)).$$

If, instead, the Outsider locates at  $(1, 0)$  in the  $\mathcal{R}$  primary, her prospect of winning is:

$$(1 - F(p + q)) \Pr(R_A > R_G) + \Pr(R_A > R_G \text{ and } R > .5)(F(p + q) - F(q)).$$

If  $\Pr(R_A > R_G) \geq \Pr(A > \max\{R_G, L_G\})$ , the Outsider strictly prefers to run in the primary. Suppose, instead, the reverse inequality holds. The value of a primary challenge can be rewritten:

$$(1 - F(q)) \Pr(R_A > R_G \text{ and } R > .5) + \Pr(R_A > R_G \text{ and } R < .5)(1 - F(p + q)),$$

and thus a primary challenge is preferred if and only if

$$\frac{1 - F(p + q)}{1 - F(q)} \leq \frac{\Pr(R_A > R_G \text{ and } R > .5)}{\Pr(A > \max\{R_G, L_G\}) - \Pr(R_A > R_G \text{ and } R < .5)} \equiv \bar{x}. \quad (22)$$

If  $\Pr(R_A > R_G) < \Pr(A > \max\{R_G, L_G\})$ ,  $\bar{x} \in (0, 1)$ . The result then follows from inspection of (22).  $\square$   $\square$

**Proposition A.1** demonstrates the robustness of the conclusion that the Outsider contests the primary if and only if parties are sufficiently polarized. This means that an Outsider who wins the  $\mathcal{R}$  primary will have the party united behind her and, unless the Outsider winning the primary reveals negative information about the number of  $\mathcal{R}$  voters in the electorate, she will have a higher probability of winning the general election than an establishment candidate.

Another implication of **Proposition A.1** is that, all else equal, making the  $\mathcal{L}$  party more globalist will increase the incentive to contest the  $\mathcal{R}$  primary. Put another way, suppose that, over time the fraction of globalists in the  $\mathcal{L}$  party increased, but the distribution of voters *between* parties has remained stable. This corresponds to a transfer of mass from  $L_A$  to  $L_G$ . This change in the  $\mathcal{L}$  party raises the Outsider's value from entering the election through the  $\mathcal{R}$  party, rather than as a third-party candidate. This is in spite of the fact that there is *no* anticipated change in the share of globalists within the  $\mathcal{R}$  party, nor is there any anticipated change in the prospect of a  $\mathcal{R}$  majority.