

Defeating the Stackelberg leader: the governorship race of the Rio Grande do Norte state in 2014.

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Introduction

The 2014 electoral campaign that would elect the new governor of Rio Grande do Norte can be analysed in a myriad of different ways. The race featured to big name candidates that didn't excite the constituency; the race also registered an initial underestimation of the PSD candidate and then ended with the defeat of the biggest coalition for governorship ever formed in the history of the state. There are no doubts that *potiguar*¹ voters had a main role in bringing about these results, by denying to give the candidate with the biggest name and the most strength, a win. However, it is still not clear how the strategic interaction between the candidatures helped to shape the electoral race.

This paper aims to build a model that can explain that, putting the candidates Robinson Faria (PSD) and Henrique Alves (PMDB) and their respective moves as strategic answers to one another. The starting point is to question how it was possible for Faria to defeat the powerful campaign of the PMDB candidate.

This analysis will use the classic Stackelberg competition model to understand the agents moves as part of a sequenced game. In particular, it will look into how between 2013 and 2014, during the pre-campaign period, a clear Stackelberg leader was formed (Henrique Alves) and how the uncertainty over the demand of products that he had to offer, the triad experience-preparation-certainty lead to his defeat.

In the next section I'll discuss the theory that will be mobilized on this paper, highlighting the characteristics of a Stackelberg leader and the intrinsic strategic advantages those who move first have. In the second section, I'll trace a historical link between the *potiguar* PMDB and the Rosalba government, emphasizing the ability that PMDB had to fill the political gap on the lead up to 2014. On the same section I'll also discuss about the pre-campaign moves, emphasizing the sequence actions of the players. The third section brings back some theoretical elements and links them to the empirical electoral campaign hoping to clarify the results. The fourth section discusses concurrent (or complementary) hypothesis to the one used on this paper. On the last section, the conclusion, I'll make some historical commentary about similar moments in *potiguar* politics and propose that we use theoretical models, such as the one used here, to analyse political conjectures.

1 TN: "potiguar" refers to that and those which are native to Rio Grande do Norte.

THEORY

As the capitalist market is defined by competition between capital holder, economists have focused their attention on entities that compete against each other to dominate a fraction of said market. One approach to this issue is by analysing the number of players/competitors. In a context with a high amount of economic agents, it's expected that competition will be strong between them. The opportunities for these entities to dominate shares of the market via innovations to their releases are few and far between. However, when there are fewer agents, the chances for a "less than perfect" competition arises and thus, oligopolies start to form. As we know, an oligopoly is a situation where there are few sellers or economic units in the market. (Stackelberg, 2010: 2).

Different models can be used to study the interaction between these market agents which occupy the position of a oligopoly. The Cournot model, for example, analyses situations where entities compete against each other over the amount of product each will sell. In its simplest form, it can be used to understand the context where the number of entities is 2, meaning, a "duopoly". Amongst the assumptions of this model, is the one that these two entities will make their decision independently about their production outputs.

According to the parameters set by game theory, it has been shown that the competition between these entities will reach a result known as "Nash equilibrium". Characteristically, "a couple of strategies will reach a Nash equilibrium if, and only if, each strategy is the best response to the other's strategy" (Binmore, 2007: 18). To put it simply, the outputs of each entity will reach a level that best represents the best answer one can give the other.

Another main assumption of Cournot's model is that the two agents of the "duopoly" were already present in the market when game first started. The model doesn't mention anything about the moment when each player joined the game. Stackelberg's innovation, when taking Cournot's model as a foundation, is exactly that he discusses the effects of moving first might have, as in, the advantages a entity might have over the other when they make the first move in a game.(Binmore, op. Cit.: 157-159).

The entity that moves first is usually known as the "Stackelberg leader" (or simply leader), whereas the second one is called "follower". The leader has an obvious strategic advantage in this game, seeing as he can define the quantities he wants to put into the market. In the traditional model found in microeconomics literature, both players know the demand function of the market and the costs of production of the other. When one established the output first, foreseeing the other's response to it, the leader will always make better profits than the follower. (Liu, 2005: 345).

The Stackelberg model isn't often used in political contexts, and it's mostly applied to industrial organization and other economic areas. However, considering that politics can be an area where "moving first" makes a difference, it can be very useful. On the table below we will see a list of potential applications of this model on the political game. The three examples are not a complete list of all the possibly applications of the model in the real world; they represent situations identified by me in certain Political Science literature.

Table 1: Stackelberg leader cases in politics

Types	Leader	Example
Formal assumption of the first move	Brazilian president	Editing decrees which have the same effects as a law; exclusive initiative leaders of the executive have in certain areas of public policy

Previous existence	The British chamber	The british chamber monopolized legislative initiative during the XIX century
Occupation of political spaces	British labour party	Capturing new voters when suffrage was expanded in the XIX century

In the second line of the table I define the type of leadership that is defined by formal institutions. Meaning, a player under these circumstances might become the leader simply because there is a constitutional, legal or formal determination that they have the right to move first. Editing decrees with the same effects as a law, or “provisional measures” as they’re called in Brazil, allow the president to immediately change the legal status quo, thus creating additional costs to Congress if it decided to go back to the status quo. This happens because the legislative branch will be forced to compare the situation created by the provisional measure and what would happen in the real world if said measure was rejected. By definition, the chief of the executive branch is always the first player on the provisional measures game (Almeida, 1988: 10-13; Figueireido and Limongi, 1999: 25-26).²

On the second example of the same cell, also considering the president as the “leader”, we have the prerogative that leaders of the executive enjoy: having the exclusive right to initiate certain areas of public policy. This is a constitutional device and it means that congress has to wait for the executive to make a move, as it isn’t allowed to start the process of projects in areas that belong exclusively to the president. This happens in Brazil on the following areas: administrative matters, budgetary matters and tax matters (article 61 of the brazilian federal constitution).

The prerogative of exclusive introduction gives two strategic advantages to the president. On the one hand, the president can not initiate a certain project if he thinks that the congress will strongly disagree – and because of it will change the proposal. On the other hand, the president can design the project in a way that will position it on a favorable light for approval, but differently from how congress would to had it started it. (Lacerda, 2016: 58).

As we can see, the role of the “being first” and defining the amount of “product output” first, by foreseeing the answer the followers will give about their own outputs grants potential benefits, similar to what happens on the market with oligopolies.³

On the third line I mention a case often discussed on the literature where the political actor becomes a leader on the game simply because it existed before others. In his classical work, Gary Cox seeks to understand why a series of individual prerogatives from british legislators on the House of Commons lost some its strength during the first half of the XIX century. There was a growing parliamentary activism going on, combined to the growth in numbers and depth of the bills being discussed in the House. The answer to this crisis related to the distribution of available time for legislative activities was the assignment of privileged days on the house’s schedule for the Chamber. A growing number of government bills started taking precedence over the bills proposed by individual congressman (Cox, 1987: 45-65).

2 it’s possible to revert the game when some aspects of the PM can’t immediately start producing effects because of some other constitutional device. In these cases, it’s as if the president has announced his intentions but didn’t actually make a move. In terms of the political market, he put out a promise of a certain output, not effective quantities of the product. Cf: Almeida, op. Cit, pp 16-29

3 The power of agenda setting in legislative contexts often incurs on Stackelberg’s model. The referendary for a legislative piece, for example, moves before others do and sets the terms of his report. Comments on Shugart and Carey, 1992, pages 139-140.

Why did British politicians not develop a similar system to that employed by the American Congress to deal with the legislative workload? Amongst different reasons, Cox highlights one “the Chamber already existed” (Cox, op cit, 64). Contingential factors such as the previous existence of an institutional player, when combined with other small elements, can have lasting effects and create higher costs to change in the future. This is the initial premise of all the literature on path dependence. If a specific player or institution gains early competitive advantages, they might combine forces and crystallize these advantages into patterns that last a long time. Institutional rules themselves acquire resilience after a long time, making it quite difficult to change them from the inside. (Arthur, 1994; North, 1990: 92-104; Pierson, 2004: 71-77).

These observations take us to the fourth line on Table 1. The case in point here is how the newly-created British Labour party took over the left wing side of the British political system, to the detriment of the Whigs (The Liberal Party). This happened because of the progressive broadening of voting rights, which incorporated the working class into the British electoral market. “The founders of the Labour party correctly evaluated that they could defeat the Whigs by creating a new party” at the moment that “a shift in voter distribution was happening”. The Liberal Party was squeezed between the Conservative party and the Labour party, never again recovering their dominating position over the left wing of the system. (Downs, 1999: 149-150).

The Labour party worked as a Stackelberg leader because they used their strategic power resources, including unions, before the Liberal party could have a more consistent reaction to their expansion. Meaning, it filled the political gap by releasing its product, made up of attractive political messages aimed at the newly incorporated working class – thus filling up the political space before their competitors. (Pierson, op. Cit: 171).

In this particular paper, the Stackelberg leader doesn’t get his strength from a formal prerogative nor is the focus on early competitive advantages as broad as it is on path dependence literature. The scope lies more on the impact that a sequence of events has and how “arriving” first at a privileged political locus, specially when “warring social agents seek to occupy a limited political space” (Pierson, op. Cit, 71). This paper will, in particular, examine if it is possible for a Stackelberg leader to be formed through the implicit recognition by the other players that another agent has filled the political space. I’ll propose that this strategic situation can be identified by the waiting attitude of the followers.

Finally, it makes sense to think politics in similar terms to the entities theory, as far as the political competition is usually dominated by a small number of agents, that control the transfer of political messages to the voters. On the case we will examine in this paper, the two main coalitions were almost a “duopoly” during the race. As we don’t have a modern direct democracy, but rather a representative democracy, some level of oligopolization is acceptable.

With the theoretical framework in mind, it’s time to look at the sequence of public events, checking to see if the theoretical concepts will make sense when applied to the *potiguar* political cycle that ended with the 2014 elections.

PMDB during the Rosalba government and the pre-campaign game in 2014.

In order to understand the electoral context of 2014, it’s important to go back in time to the 2010 race, where the then senator Rosalba Ciarlini (DEM) won the governorship race in Rio Grande do Norte. On the literature about *potiguar* politics, was even described as a “election without any news” (Lacerda, 2010). The leadership of Ciarlini, part of the Rosaldo Family⁴, was fairly stable during the whole race, leading her to victory on the first round. Her

⁴ The Rosado family’s main electorate is focused on the west side of the state, specially in the city of Mossoró. Rosalba was elected as the mayor of the city twice: 1989-1992 and 1997-2004.

campaign benefited from a resourceful political operation lead by the PMDB's president in the state, the then congressman Henrique Alves.

Ciarlini's coalition in 2010 didn't actually include PMDB, even though various branches of the party supported her. Together in 2006, when DEM was still called PFL, Ciarlini and PMDB were allies, but ended up choosing a different arrangement in 2010, due to a split within PMDB. The party's electoral plaque didn't feature a candidate for the office of governor, only for the office of senator and federal and state congressman. This allowed federal congressman Henrique Alves to support the reelection of then governor Iberê Ferreira (PSB) while his cousin, the senator Garibaldi Alves Filho (PMDB), supported Ciarlini. Besides only putting forward one senate candidature (they could have had two), PMDB's coalition featured only PR and PV. Ciarlini also only had, not by chance, one candidate to the senate: DEM's president, José Agripino Maia.

This arrangement, albeit unexpected, ended with all the political objectives of the involved parties met. Alves Filho was reelected to the senate, as was Agripino Maia. Henrique Alves was also reelected and PR managed to reelect João Maia. PV elected one representative for the federal lower house, as well as a substitute for Alves Filho. Henrique Alves was reelected with 191.110 votes and João Maia was elected with 217 thousand votes.

On the dawn of Rosalba's government, in January 2011, PMDB and both cousins from the Alves family enjoyed a privileged position in regards to the governor's mandate. They could either stay away or move in closer. A third option would be for them to formally join the administrative framework.

The senator appointed names on the first makeup of the secretariat: we had Sethas (Work, Housing and Social Assistance), Luiz Eduardo Carneiro and for the Tourism branch, Ramzi Elali; as part of the indirect administration, we had the director of Potigás, Saulo Carvalho.

The formal support of the party became clear in September of the same year, when Henrique Alves decided to get closer to the governor. The distance he'd been keeping up until that point was merely a formality, seeing as he had no reason to go into the opposition.

It is important to point out, however, that Carvalho and Elali left the government in 2012, in January and March, respectively. Putting this into context however, would allow us to notice the relationship between PMDB and Rosalba's higher up government crumbling.

The DEM led administration had to face, from the beginning two issues that persisted until the end of the mandate. The first was severe financial limitations, a "legacy" of previous governments, this proved to be a huge structural obstacle to the Rosalba's administration. Secondly, was how centralized decision making was. All major decisions were either made by Rosalba or by her husband, the retired congressman Carlos Augusto Rosado. This created permanent tensions between the government, the legislative branch as well as a rift with PMDB supporters and even within DEM itself. The influence the governor's husband had was one of the main reasons why vice-governor Robinson Faria (PSD)⁵ left, on the 21st of October of 2011.

Robinson's decision to leave was the start of a difficult period for Rosalba's government, because it meant that now she depended even more on the two Alves and on PR. With partners demanding changes in government and on the decision making process used by the governor, 2012 was filled with political friction for the governor, both with her political partners and with her voters.

5 Faria was elected under PMN, but took part in funding PSD in 2011.

This friction can be proved by her popularity levels. The opinion polls published in 2012 were mostly restricted to the cities, seeing as municipal elections were held that year. However, they are representative enough of Rosalba's popularity that year. Amongst voters from Natal (the State Capital city), 57% of voters were against her, with an approval rate of only 28% (research by Certus-Nominuto). By December 2013, the positive reviews of the government reached the lowest ever, 7%, on a poll conducted by CNI-Ibope and that embraced the whole state. Finally, on August 2014, Ibope registered a 69% negative response to the government.

From the end of 2012 to the beginning of 2013, the government decision making centralization and the evolution of PMDB's interests ended up with Henrique Alves getting closer to the government while Alves Filho pulled away. This role reversal was seen as instable by other relevant political players, including by the PMDB's leaders. Regardless of that, the party appointed new people for administrative seats: the Agriculture Secretary, Junior Teixeira and the director of Emater (a technical and agricultural support institute), Henderson Magalhães.

On the 30th of August of 2013, under much pressure from his senator, PMDB announced that it was breaking away from the government and giving away the administrative position that they held. Luiz Eduardo Carneiro, Junior Teixeira and Henderson Magalhães left the government around this time. This rift allowed the party to deal with the 2014 elections without the pressure of being a part of such an unpopular government. In practice, the party acquired the preliminary conditions to dictate the rhythm of the next electoral process.

At the end of 2013, we have two developments. First, PMDB is unified and takes up the place as the pivot for the 2014 race. Secondly, the party fills up the political space available before any other party has the chance to do it. This was supported in part by Henrique Alves' rise to the presidency of the lower house on February 2013. Next, I'll discuss the position other political leaders occupied at the time, to further reinforce the leadership role PMDB had at this moment.

The "waiting attitude", for example, can be seen during the early negotiations between PMDB and PT. After a meeting on January 2014, a city council (Natal) from PT named Hugo Manso stated that there was a "waiting rhythm" that was prejudicial to PT. "There is a political force that is highly concentrated on the hands of Henrique and Garibaldi" and it was "visible how quietly they were both dealing with the issue of the political succession of the state".⁶ The politician proceeded to point out that it would be better to seek alliances elsewhere for the nearing electoral race. PT's priority at this point was to elect the federal congresswoman Fatima Bezerra for the Senate.

What is also interesting in this context is the attitude of the vice-governor. Faria had, since 2009, dreamed of running for governor. In fact, his decision to break it off with the then governor Wilma de Faria (PSB) and support Ciarlini had a direct link to the fact that Wilma preferred her vice, Iberê Ferreira. So in 2014, nothing had changed. Faria still had the same intention that he had in 2009. However, he gave an interview in 2014 stating that he would think of a "plan B" in case he felt "isolated"⁷. It is clear that he was waiting for a powerful player that he could form an alliance with. There is no evidence that he would be satisfied with remaining as a vice-governor or that he was interested in the position of senator – positions which weren't offered to him anyways, by either of the Alves.

The last governor and at the time vice-mayor of Natal, Wilma de Faria, was also waiting for a proposal from PMDB, but her intentions were ambiguous: she had an interest on running for federal congresswoman, senator and governor.

6 Taken from the website No Minuto, on the 29th of January of 2014 <<http://www.nominuto.com/noticias/politica/fernando-bezerra-prefere-alianca-com-wilma-para-o-senado-diz-hugo-manso/106335>>.

7 Taken from the website jornal Tribuna do Norte, on the 12th of January of 2014 <<http://www.tribunadonorte.com.br/noticia/robinson-faria-se-eu-ficar-isolado-terei-que-pensar-no-plano-b/271590>>.

Her indecision seemed to be a mix of hesitation and calculations to each would be the best bargain. The first office didn't offer any attractions to her, while the second option should be carefully examined considering she had lost in 2010, running for the same position.

Finally, DEM, personified by the senator José Agripino Maia, found itself on a complex trap. The natural progression would be to support the reelection of Rosalba Ciarlini, but her victory was proving itself unlikely, considering opinion polls. To bet on her would put the legislative positions of the party in jeopardy, specially that of Agripino's own son, congressman Felipe Maia. The senator also had an interest in reaching an alliance with the Alves, if it was favourable enough for him and allowed him to deny Rosalba's reelection.

Henrique Alves, thinking strategically⁸, designed three actions to limit the calculation of other players:

1) he kept the negotiation on the possible candidature for governor of Fernando Bezerra, for PMDB. Bezerra had run once, in 2002, when he was still with PTB and came third. Alves made it very ambiguous whether Bezerra's candidature was definitive or not.

2) he informed other players that Bezerra had a preference for Wilma de Faria as his electoral plaque companion, and that she should run for the senate. As time went on it became clear that this was Henrique's own preference. He aimed to avoid running against Wilma for the office of governor.⁹

3) he announced to most partners of PMDB that he was willing to allow the most diverse group of people on his electoral plaque to run for the state legislative and the federal congress. This means that people from PR, PSDB and DEM would be included, which would further isolate Rosalba.

As the time for party convention neared, the negotiations deepened and started to take shape. Actors not included on Henrique's scheme started to plan their reactions. PT, for example, was not interested in accepting the position if vice governor.

Robinson Faria hadn't given up on his ambitions and wasn't interested in seeking a solution that would secure only his son's position. PT wasn't interested in pushing a candidate for the role of governor, their main interest being pushing Fátima Bezerra for the senate office. Because of that, forming an alliance with PT was certainly an interesting thought for Faria.

Aligning all of this with our conceptual framework, it is possible to see that all the other players only started to make their moves once PMDB had already made theirs, which would make them the followers, in relation to the Stackelberg leader. This leader managed to put out his product on the political market (the chance of forming a coalition) before all the others, forcing them to adjust their own products to that first output. Both the leader and the followers knew the demand of the political market and the costs of trading on political posts.

The table 2 below shows the final configuration of the major candidatures, the result of the July 2014 party conventions. The most important piece of information on this table is the size of Henrique Alves' coalition: 17 parties coming together to elect him as governor. The coalition for the vice-governor isn't too far behind, with 8 parties, but most of them are quite weak parties on the *potiguar* context, only PP, PT and PSD had any federal representation at this point.

8 It would make sense to consider the leadership of PMDB as the ones designing the strategies but there is no evidence that senator Garibaldi was involved in that process.

9 He was beaten by her for the mayor elections for Natal in 1988 and to a candidate backed up by her in 1992. There is empirical reason behind Alves' worries: polls showed Wilma as having 35% of voting intentions at the end of 2013.

Table 2: profile of the candidatures for governor of RN during the 2014 race.

Gubernatorial candidates	Vice-gubernatorial candidates	Candidates for senator	Coalition/single party
Henrique Alves	João Maia	Wilma de Faria	PMDB-PR-PSB-PROS-PDT-SD-PSC-PTB-PPS-PHS-PSDB-PSDC-PRB-PTN-PV-PMN-PRP ¹
Robinson Faria	Fábio Dantas (PCdoB)	Fátima Bezerra	PSD-PCdoB-PT-PTdoB-PEN-PRTB-PTC-PP
Robério Paulino	Antônio Garcia	Professor Lailson	PSOL
Araken Farias	Paulo Oliveira	Roberto Ronconi	PSL
Simone Dutra	Socorro Sousa	Ana Célia	PSTU

This game, however, doesn't only happen on the political elite and party scale. It involves the electoral market and what the Stackelberg leader has to offer the voters. This is the subject matter of the next section.

Demand uncertainty, risk aversion and broadened coalitions

Is it possible to beat a leader on this game? The answer depends, obviously, on what we can define as a victory. Subjectively speaking, the follower can be happy with its reaction to the leader at some point during the game or even after it. A follower candidate might, for example, lose the election to the leader but gain, through their participation on the race, their name and image on people's head, fresh for the next election. The crucial point is that the first player to move holds the strategic advantage in regards to the other participants in the oligopoly, because they can foresee the reactions of the other players. When designing their strategies, the followers tend to take the leader's move as a given. (Dixon, 2001: 125-160).

The question then switches to: is it possible to eliminate the leader's strategic advantage? In this context, it should be reminded that the release of product should be based on the expected demand, not on the realized demand. If the market isn't predictable, the leader will risk offering a product that won't be as demanded by consumers. Followers have the informational advantage of observing the realized demand and then adjusting their outputs to match it, after the first player has made its move. According to this theory, this is the only way that the followers could potentially reduce the strategic advantages of the first player.

Some markets, where demand is really unstable (...), it seems that the dominant advantage belongs to those who move second. This happens because in a market filled with uncertainty, the followers can wait and see the response consumers will give to new products being put out by the first player, as well move with learning curve of innovation (Liu, 2005: 346).

Let's take the electoral race as a market in which there is competition for the political leadership and the voters votes (Schumpeter; 1962: 269). A great number of analyses, uncertainty is a prominent feature of the electoral market. Przeworski's saying has already become famous "democracy is a system where parties lose elections" (Przeworski,

1994: 25).¹⁰ Although it features diverse rules to inform the possible results of electoral competition, it is impossible for democracy to predict the outcome of the competition, which parties will win and which will lose.

Besides, it's not always possible to determine *ex ante* which product voters are actually demanding from parties and candidates, and to which degree. Mass opinion itself partially shaped by the products that originate from the elites' speeches. For example, having experience in various other political positions is often used as an argument (or as a product) by candidates and seen as something positive by voters. It can, however, send a negative message to many voters, who might see this past life in politics to mean that this candidate has had a life of corruption and status quo upkeep.

We know must identify which product PMDB's candidate was offering to voters. Considering his long history as a politician and connection with federal organizations, it wouldn't make sense for Alves to send any kind of "renewal" message. His basic message was centered around three characteristics: he was prepared, he was confident and he had experience. The majority coalition was called "União pela Mudança". Henrique foresaw (correctly) that Robinson Faria wouldn't be able to launch the same product as him nor the same amount as him. In regards to this, his successful cooptation of the political elite of the state would get him an advantage in the amount of votes.

Henrique was then the president of the lower house and his connections with the federal government would guarantee, according to his speeches, that he would bring resources into the state. PMDB's leadership in past state managements also assured the population that he was not inexperienced. His campaign slogan ("Força para Mudar", alongside with his coalition name, emphasized his strength but also brought up the theme of change in order to distance themselves from the past government. (Menezes, 2016: 15; Santo, 2016: 44).

How, in the electoral market, can candidates predict the response voters will have to the product offered by them? Opinion polls seem to be the way to that. I have not had any access to qualitative studies about this particular race, so I'll focus on the typical indexes for this "horse race".

Table 1 below shows voting intentions for governor on the first round of 2014, considering as a parameter polls done between June and October. The decision to use the arithmetic means seeks to compensate the methodological biases of the various institutes, to avoid using a historical series. In July, the first campaign month, and October, right before the elections, there's only one poll for each. The fourth column shows the polls that were used in order to calculate the averages shown in the second and third columns. The number between parenthesis, when it occurs, shows the number of polls by each institute on that month. All the numbers were rounded up. Finally, no other candidate reached the 10% in any of the polls, which is why only the main two are featured here.

Table 1: average of voting intentions to the main gubernatorial candidates on the first round of 2014 (%)

Month	Henrique Alves	Robinson Faria	Polls
June	33	23	Consult, Seta, Ibope, GPP
July	37	23	Consult
August	36	26	GPP, Consult, Ibope, Certus ² , Seta
September	37	30	Seta (5) ³ , Ibope (2), Perfil, Item (2), Certus
October	40	33	Ibope

¹⁰ See also: "everything that is needed for the results to be uncertain is that it is possible for some party to lose the election" (Przeworski et al., 2000: 17).

The table shows that both candidates grew during this time period, with Robinson Faria growing the most – around 10%, against 7% for Henrique Alves. It is clear that Henrique's main issues is not Faria's steady growth but rather his own underwhelming growth. That means that Henrique couldn't translate into votes all the political elite support he was receiving. Not for nothing, local political analysts used the term "ceiling" to refer to Henrique's growth curve and, specifically, to that 40% amount. (Menezes, 2016: 20.; Santos, 2016: 51).

Henrique Alves' product had a relatively low demand, but could the "follower" have predicted that? Probably not, but Faria only had to make the "right" moves before checking to see the results of his counterpart and adjust his behavior accordingly. The coalition with PT and aligning his gubernatorial campaign to the presidential campaign, certainly gave him the necessary space to react to the strong first move that PMDB had. The vice-governor couldn't have predicted voter's demand but the uncertainty level was enough to justify risking on a electoral plaque with Fátima Bezerra.

When the possibility of being within striking distance of Henrique was clear, Faria adjusted the "amount" of his product, strengthening his bonds to the president Dilma Rousseff, then very popular in the state, and with ex-president Lula. Lula offered public support to the PSD candidate on the 19th of september.

Faria would also strengthen the idea of being "humble" candidate before the amount of forces gathered around the Stackelberg leader. Faria left the "experience" theme to the president of the lower house, even though he himself was a traditional politician with a long career (since 1980). He also added to his speech the idea of being the "resistance" against the "big agreement" - used here to describe the broad coalition that supported Henrique (Menezes, op. Cit: 25). Not for nothing, one of his radio programs was called "Resistance".¹¹

The association with Bezerra also renewed the coalition, because Wilma Faria, the senate candidate from Henrique's coalition also ended up coming off as "too experienced". Even though Bezerra is not at all new to politics, the "renewal" image that is had worked in favour of Farias and assured him a place in the second round, where he hoped to overtake Henrique Alves.

And that's exactly what happened. Table 2 below shows the results of the first and second round, taking into consideration only the valid votes and with all numbers rounded up.

Table 2: Results of the gubernatorial race for the state of RN in 2014

Candidates on the first round	Valid votes (%)	Candidates on the second round	Valid votes (%)
Henrique Alves	47,3	Henrique Alves	45,6
Robinson Faria	42,0	Robinson Faria	54,4
Robério Paulino	8,7		
Simone Dutra	1,0		
Araken Farias	0,9		

¹¹ To hear the program, here is the link with the audio: <<https://www.youtube.com/watch?v=bgtLbH7cZq0>>.

In the second round, Henrique Alves tried to react against Faria's threat of overcoming him, pointing to his connections with president Dilma and ex-president Lula. In our model, this change in product proved itself useless for two reasons. Firstly, the pro-Henrique coalition combined forces that were connected to three different presidential campaigns: Wilma de Faria, linked to Marina Silva (PSB) while parties like PSDB obviously supported Aécio Neves (PSDB). There was no way that Henrique's claims of being connected to Dilma would be taken seriously, considering members of his own coalition supported different presidents.

The second and most important reason: continued to offer, maybe for lack of a better option, the same quantities of his old product: experience-preparation-confidence. These were still the only advantages he had over the vice-governor. Henrique Alves was trapped on a trap of his own making, seeing as he couldn't free himself from the image of the "traditional politician". His broad coalition showed that image was, in fact, true. News about his possible involvement in corruption scandals investigated during the "car wash" operation only deepened the problem.

Robinson Faria could then overcome Henrique, capturing probably most of the votes given to other, smaller candidates on the first round and even made a dent on Henrique's own percentual.¹²

The follower thus defeated the leader, by using the learning curve of the competitive electoral market in his favour and understanding that the demand for his adversaries' product was smaller than expected.

Rival hypothesis: rejection and municipal cross signs.

There were no public qualitative researches during the electoral race (very few qualitative researches are carried out in Rio Grande do Norte in general) and most polls were measuring only the typical "horse race" stuff. This would be enough to encourage some healthy skepticism over the this paper's analysis. We should, at least, list the rival hypothesis or complementary.

There is word to mouth evidence that both candidates were seen with very little enthusiasm by the voters. Either way, this wouldn't explain Faria's win because it equally affected both candidates. What this lack of enthusiasm for the main candidates caused, however, was an opening a space for PSOL, which managed to go beyond the 8%, mainly due to their votes in the capital of the state.

Rejection indexes should be considered as an important element of analysis of electoral races (Menezes, 2016: 22-24; Santos, 2016: 52-53). During the second round, Alves and Farias both reached, according to Ibope, a rejection level of 47% and 35% respectively. Henrique's rejection level was not as high during the first round but it was always higher than Faria's (between 5 and 10 percentage points).

In our framework, this rejection is a consequence of a low demand for the product "experienced Henrique" and by the fact that the candidate continued to put out high amounts of this product. That meant that he had a diminishing return on his investment and his rejection levels were just another reflection of that. However, looking at it from a historical perspective, his results in 2014 can be seen as a reflection of his historical shortcomings of winning majority elections (Lacerda and Oliveira, 2006: 282).

Another element that could influence a alternative hypothesis to the one developed here is the one that deals with the size of Henrique's coalition in relation to local politics. In some towns, Henrique coopted both sides of local politics

¹² In absolute numbers, the PMDB candidate managed to get more votes during the second round, however his percentage was still lower than in the first round.

in order to achieve state level recognition. The problem here is that, in many of these towns, the rivalry between these sides is still alive and date back to the 1946 Republic and the military dictatorship. Coopting both sides might have “short circuited” the loyalty of some voters, who ended up voting for Faria. We do not know how many votes were influenced by these loyalties but this is still a relevant research question.¹³

Conclusion

In a way, the strategy followed by Henrique Alves mirrors similar situations of his own father’s past, Aluizio Alves, now deceased. He was once a minister and governor, during the 1999-2002 he wanted to form a broad coalition that would guarantee his son’s election as governor during the 2002 elections. This failed attempt has been analysed in detail by an important paper in *potiguar* politics (Lacerda and Oliveira, 2006). The so called “public peace” of 1978 can be another example. At the time, Aluizio supported the candidature of senator Jessé Freire (Arena) in a alliance with the Maia family, which probably required the support of other positions by the then MDB. The risk aversion, heightened by Henrique’s fear of a direct confrontation against Wilma de Faria shows a similar behavior to that of his own family.

I made the decision of not putting the game in its formal “appearance” by use of extensive mathematical formulas that are typical to game theory. This doesn’t mean that I consider said approach unnecessary in other analyses, even as a training for the scientist itself. I consider that the use of Stackelberg model in politics useful, by the obvious importance that making the first move has in political situations. In this specific case, this first move advantage was not enough but I hope to have shown it’s importance to the strategic configuration of the race.

Finally, it’s important to note that I hope to have clarified the electoral cycle of 2010-2014 and its strategic context. I aimed to find new tools to analyse *potiguar* politics. This subject matter is still open and filled with questions, specially the more one goes back in time. Political conjecture in general can be successfully analysed with a historical sequence approach.

13 This hypothesis is already outlined, albeit not fully developed in Santos (2016: 49-50).

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(Footnotes)

- 1 DEM didn't take part in any of the formal coalitions for the majority vote, but it did join the proportional coalitions that supported Henrique Alves.
- 2 Certus field started in august and finished in september.
- 3 Seta's field started in september and finished in october.