ARTICLE

Private Funding at High-Level Elections: the Costa Rican Case for Explaining Vote Increase

Financiación privada en elecciones de alto nivel: el caso costarricense para explicar el aumento de votos

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Abstract

This paper examines the role of private and public funding in shaping electoral outcomes in Costa Rica, focusing on the period from 2010 to 2020. Drawing on data from multiple election cycles, the study investigates how financial contributions influence the success of political parties in a mixed funding system where both state and private funds play significant roles. The analysis reveals that private funding strongly predicts electoral performance, particularly in national-level elections, where it significantly correlates with the number of votes received. The number of individual donors also emerges as an essential factor, reflecting broader public support and contributing to electoral success. Additionally, the study finds that parties competing at the national level benefit from greater visibility and the ability to accumulate votes across different elections, further enhancing their electoral prospects. The interaction between public and private funding highlights the complexity of Costa Rica's electoral finance system, suggesting that parties that effectively leverage both funding sources are more likely to succeed. These findings have important implications for understanding the dynamics of political finance in emerging democracies and underscore the need for continued efforts to ensure transparency and fairness in electoral processes. The paper concludes by discussing the broader implications of these results for electoral systems in Latin America and suggesting areas for future research.

Keywords:

Private funding, electoral outcomes, political finance, Costa Rica, mixed electoral system, public funding, national elections, donor influence, political parties, electoral finance in Latin America

Resumen

Este estudio analiza el papel del financiamiento privado y público en la determinación de los resultados electorales en Costa Rica, con un enfoque en el período de 2010 a 2020. Basado en datos de múltiples ciclos electorales, la investigación explora cómo las contribuciones financieras influyen en el éxito de los partidos políticos en un sistema de financiamiento mixto donde tanto los fondos estatales como los privados juegan roles significativos. El análisis revela que el financiamiento privado es un fuerte predictor del desempeño electoral, especialmente en elecciones a nivel nacional, donde se correlaciona significativamente con la cantidad de votos obtenidos. El número de donantes individuales también emerge como un factor importante, reflejando un mayor apoyo público y contribuyendo al éxito electoral. Además, el estudio encuentra que los partidos que compiten a nivel nacional se benefician de una mayor visibilidad y la capacidad de acumular votos a lo largo de diferentes elecciones,

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lo que mejora aún más sus perspectivas electorales. La interacción entre el financiamiento público y privado destaca la complejidad del sistema de financiamiento electoral de Costa Rica, sugiriendo que los partidos que aprovechan efectivamente ambas fuentes de financiamiento tienen más probabilidades de tener éxito. Estos hallazgos tienen importantes implicaciones para comprender la dinámica del financiamiento político en democracias emergentes y subrayan la necesidad de continuar los esfuerzos para garantizar la transparencia y equidad en los procesos electorales. El estudio concluye discutiendo las implicaciones más amplias de estos resultados para los sistemas electorales en América Latina y sugiere áreas para futuras investigaciones.

Palabras clave:

Financiamiento privado, resultados electorales, financiamiento político, Costa Rica, sistema electoral mixto, financiamiento público, elecciones nacionales, influencia de donantes, partidos políticos, financiamiento electoral en América Latina.

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Introduction

"More than a pathology of democracies - as frequently presented in political discussion - political funding is part of the normality and health of democratic life", said Zovatto y Casas (2011, p. 18). Funding is essential for political campaigns, providing the necessary resources for political parties, interest groups, and media operations. This study examines the impact of private financing on electoral outcomes, focusing on Costa Rica's unique party competition model, which allows for an in-depth analysis of the role of private donations in shaping voter decisions.

Costa Rica's political system, characterized by a multi-party framework within a presidential representative democratic republic, presents an intriguing case for studying the influence of private funding on electoral success. Historically, Costa Rican elections have evolved under strict regulations to prevent corruption and ensure transparency, particularly following the 2009 electoral reform that reshaped the funding landscape. In this context, private donations have become a significant factor, reflecting both the electorate's confidence in political parties and the parties' responsiveness to donor expectations.

This study hypothesizes that private funding, particularly the number and diversity of donors, significantly correlates with electoral success, especially in national-level elections. The analysis uses a multi-regression model to predict electoral outcomes based on data from Costa Rica's general and municipal elections. The findings contribute to a deeper understanding of how private financial contributions influence democratic processes in a mixed-funding electoral system.

Focusing on the Costa Rican case, this paper illuminates the broader implications of private funding in politics, particularly in emerging democracies where transparency and public trust are paramount.

Costa Rica: a mixed-funding model based on transparency

Private funding in Costa Rica is governed by a regulatory framework that seeks to ensure transparency and reduce the risk of corruption in political competition. According to the 2009 Electoral Code, private donations are strictly regulated: only Costa Rican citizens can contribute directly to political parties, and all donations must be publicly disclosed. This

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framework was established to prevent undue influence from foreign entities and corporate bodies, promoting a more equitable political landscape (González, 2009).

Despite these regulations, private funding remains a significant factor in electoral success, particularly in national elections. As noted by Ansolabehere, de Figueiredo, and Snyder (2003), financial contributions play a dual role: they not only support the operational needs of political campaigns but also signal the electoral viability of the parties. In Costa Rica, this dynamic is evident in how financial backing often aligns with the perceived likelihood of electoral victory, reinforcing the importance of private funding in shaping electoral outcomes.

Private donations in Costa Rica are typically classified into two categories: cash contributions and in-kind donations. Both types of donations are subject to stringent transparency requirements, with parties required to publish audited financial statements and detailed donor lists annually. This regulation ensures that the public can monitor the economic activities of political parties, thereby enhancing accountability (Walecki, 2004).

However, the lack of a cap on donation amounts has raised concerns about the potential for wealthier individuals to exert disproportionate influence on the political process. Tham (2017) argues that in systems without donation limits, the risk of skewing political influence in favor of the affluent is heightened. This concern is particularly relevant in the Costa Rican context, where the timing and size of donations can significantly impact election outcomes, mainly when large sums are contributed close to election day.

The implications of these dynamics are significant. As the analysis in this paper will show, the level of private funding a party receives reflects its current electoral standing and predicts its future success. The statistical evidence suggests that parties with substantial private backing tend to outperform their less-funded rivals at the polls, supporting Dawood's (2015) assertion that financial resources are a crucial determinant of electoral outcomes.

In conclusion, while Costa Rica's regulatory framework on private funding aims to ensure transparency and fairness, money's influence on politics remains a central issue. The data analyzed in this study suggest that, despite the regulations, private funding plays a decisive role in electoral success, highlighting the need for ongoing scrutiny and potential reform to further mitigate disparities in political finance.

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Public Funding

Public funding in Costa Rica is an integral part of the country's mixed electoral finance system, which combines state and private contributions to political parties. This system is designed to promote fairness and reduce the potential for corruption by ensuring that all political parties have access to necessary financial resources regardless of their size or popularity. The 2009 Electoral Code played a crucial role in shaping this system by introducing significant reforms to enhance transparency and accountability in the distribution and use of public funds (Castro Vega, 2007).

Under the current framework, the Costa Rican state provides public funding to political parties based on their electoral performance. Specifically, parties that secure at least 4% of the valid votes or win at least one seat in the Legislative Assembly are entitled to receive a proportion of the public funds allocated for the election cycle. This allocation is calculated as a percentage of the Gross Domestic Product (GDP), with the exact amount determined one year prior to the elections by the Tribunal Supremo de Elecciones (TSE), the country's electoral authority (González, 2009).

The public funding mechanism, often called "deuda política" or political debt, is designed to level the playing field among political parties. It allows parties to receive an advance of up to 15% of their projected state contribution before the elections, provided they meet specific financial transparency requirements, such as publishing audited financial statements and a list of contributors (TSE, 2018). This advance enables smaller or newer parties to finance their campaigns more effectively, reducing their dependence on private donations.

However, the distribution of public funds has its challenges. One critical issue is the formula used to calculate the individual vote cost, derived by dividing the total state contribution by the sum of valid votes obtained by all eligible parties. This method has been criticized for favoring established parties that can accumulate votes across multiple elections, securing a larger share of public funding. As Carey (1997) notes, this system can perpetuate the dominance of traditional parties while making it more difficult for new or more minor parties to gain a foothold in the political arena.

Moreover, using "certificates of assignment of political debt," commonly known as "bonds," adds another layer of complexity to the public funding system. These bonds allow parties to transfer their right to state contributions to third parties, typically financial institutions, in

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exchange for loans. While this practice provides parties with much-needed liquidity during the campaign period, it raises concerns about financial accountability and the potential to misuse public funds (TSE, 2018).

Despite these challenges, public funding remains vital to Costa Rica's electoral system, ensuring that elections are conducted fairly and transparently. The combination of public and private funding allows parties to mount effective campaigns while maintaining financial independence. However, as this paper will explore, the interplay between public and private funding can also create imbalances that influence electoral outcomes, particularly favoring parties that can effectively leverage both sources.

In conclusion, while public funding in Costa Rica is designed to promote equity and transparency in political competition, its implementation has challenges. While generally effective, the current system may require further reforms to address issues such as the over-reliance on private donations by some parties and the potential for established parties to dominate the allocation of public funds. This section provides the necessary context for understanding the broader implications of funding in Costa Rica's political system, which will be further analyzed in the subsequent sections of this paper.

Private Funding

Private financing is the set of economic resources from Costa Rican citizens, which are given voluntarily and directly in favor of political parties in cash, financial securities or registrable assets. Contributions or donations from foreign individuals and national or foreign legal entities are prohibited. Collaborations for training political parties from international organizations dedicated to developing culture, political participation and the defense of democratic values are exempt from this prohibition if they are duly accredited before the TSE (article 124 of the TSE Electoral Code).

The TSE has defined donations as those patrimonial contributions that an individual directs voluntarily and directly to the enlargement of the party coffers (Resolution 0560- E8-2016). These donations can be in money or in kind, for which the electoral regulations do not foresee any limitation regarding their amount; however, only national natural persons can make contributions of this nature. Foreigners and legal entities are prohibited from contributing

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directly or indirectly to party groups, with the exception mentioned above in Article 124 of the Electoral Code.

The Electoral Code prohibits direct donations to candidates or officials of the political group not authorized by its executive committees. Each party is responsible for strengthening its financial control mechanisms to guarantee that cash donations are channeled through the treasury. Also, the receipt of donations in cash is allowed, in which case they must be subject to an appraisal process and be reported in the party's accounting by the treasury. As part of the financial control system, political parties must report periodically (monthly or quarterly, depending on an electoral or non-electoral period) to the Supreme Electoral Tribunal on their economic and financial management.

When a political party omits the presentation of the requirements that reflect its patrimonial condition and other characteristics of its economic-financial management, the information presents inconsistencies or is incomplete; the TSE may warn the treasurer of the group to contribute with the corresponding information or correct any errors made in the presentation of the data. Failure to do so could expose the grouping to penalties associated with non-compliance. The Electoral Code contains a specific section on the sanctioning framework, in which penalties and fines are contemplated for these cases and other conducts. Additionally, the treasury of each political party must make a publication in a national newspaper with an audited statement of its finances each year, as well as the list of people who have contributed or donated to the party and their respective amounts during the corresponding annual cycle (see article 135 of the Electoral Code). If this publication is not made, the political party may be exposed to withholding the money corresponding to the state contribution until this legal duty is fulfilled.

Hypotheses

This paper is grounded in the theory of electoral dealignment, which posits a weakening of traditional party loyalties, a corresponding rise in voter independence, and the emergence of new political actors. In Costa Rica, this phenomenon has been influenced by the 2009 electoral reform, which significantly altered the dynamics of party funding. The following hypotheses have been formulated to explore the relationship between private funding, public funding, and electoral outcomes in this evolving political landscape.

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***Hypothesis 1: Private funding significantly predicts electoral
success, particularly in high-level (national) elections.***

This hypothesis assumes that private donors, anticipating the electoral success of certain
parties, tend to contribute more to those they perceive as likely winners. This financial
support boosts the resources available for campaigning and signals electoral viability to the
broader electorate, thereby increasing the party's chances of success (Ansolabehere et al.,
2003).

***Hypothesis 2: The number of individual donors is a reliable indicator
of voter confidence and correlates positively with electoral performance.***

This hypothesis suggests that a diverse and large base of individual donors reflects broader
public support and confidence in a party's electoral prospects. Given that Costa Rica re-
stricts private contributions to individual citizens, the number of donors, rather than the
total amount of donations, maybe a more accurate measure of voter sentiment and engage-
ment (Whiteley, 2011).

***Hypothesis 3: National-level parties receive more financial support
and perform better electorally than regional or local parties.***

This hypothesis reflects that by participating in higher-stakes elections, national parties at-
tract more private and public funding. These parties benefit from greater visibility, a broader
voter base, and the accumulation of votes across different electoral levels, enhancing their
overall electoral performance (Carey, 1997).

***Hypothesis 4: The interplay between public and private funding
determines the overall competitiveness of parties in Costa Rican elections.***

This hypothesis posits that parties' ability to effectively combine public funding (e.g.,
through advance state contributions) with private donations is crucial to their electoral suc-
cess. Parties leveraging both funding sources are better positioned to mount comprehensive
and effective campaigns, thereby increasing their chances of winning seats in the Legislative
Assembly and other elected offices (González, 2009).

These hypotheses will be tested using data from the Costa Rican general and municipal elec-
tions from 2010 to 2020. The analysis will focus on how private funding and the number
of donors interact with public funding mechanisms to influence electoral outcomes. The
results will provide insights into the broader implications of funding in a mixed electoral
system and contribute to the ongoing debate on the role of money in politics.

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Data and operationalization

This study utilizes a comprehensive dataset from the Costa Rican general and municipal elections between 2010 and 2020. The data includes information on private funding, public funding, and electoral outcomes, which is essential for testing the hypotheses outlined above.

Data Sources

The primary data sources for this analysis are the official records provided by the Tribunal Supremo de Elecciones (TSE), which include detailed reports on party finances, electoral results, and the number of valid votes cast in each election. The TSE's publicly accessible database is the most reliable source for this information, ensuring that the data used in this study is accurate and up to date.

Operational Definitions and Variables

1. **Private Funding (Fin):**
Private funding is operationalized as the total monetary contributions each political party reports for a given election. This variable includes all donations from individual citizens, as Costa Rican law prohibits donations from corporations and foreign entities (González, 2009). The natural logarithm of this variable (log(Fin)) is used to address skewness and manage outliers, ensuring a more accurate statistical analysis.

2. **Number of Donors (DON):**
Another critical variable is the number of individual donors, representing the total number of contributors who provided financial support to each party. This variable is crucial for testing Hypothesis 2, reflecting the breadth of a party's support base. The operationalization of this variable considers the unique aspect of Costa Rican law that only allows donations from individual citizens (Whiteley, 2011).

3. **Electoral Performance (TOTAL):**
Electoral performance is measured by the total number of validated votes each party received in each election. Like private funding, the natural logarithm of this variable (log(TOTAL)) is used to normalize the distribution and reduce the impact of outliers, providing a more robust data analysis.

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4. **Party Level (Nat, Prov, Reg):**

The party's status—whether competing at the national, provincial, or regional level—is operationalized as a set of dummy variables (Nat et al.). This classification allows the study to differentiate the impact of private and public funding on parties operating at different levels of the electoral system. National-level participation (Nat) is expected to significantly affect private funding and electoral outcomes, as posited in Hypothesis 3 (Carey, 1997).

5. **Public Funding (PubFin):**

Public funding is measured as the total state contributions allocated to each party based on electoral performance. This variable includes the advance state contributions, and the final allocations made after the election results are validated. The interaction between public and private funding is a crucial focus of this study, particularly in testing Hypothesis 4 (González, 2009).

6. **Incumbency (Incum):**

Incumbency is a dummy variable indicating whether a party was the incumbent in the given election. This variable controls for the potential advantages held by parties already in power, which may influence private donations and electoral performance.

7. **First or Second Participation (First, Second):**

These variables indicate whether it is the first or second time a party is participating in an election. This distinction helps assess whether new or relatively inexperienced parties need help attracting private funding and winning votes compared to established parties.

Methodology

The analysis employs a multi-regression model to predict the total number of votes (log(TOTAL)) based on the above independent variables. The model also includes interaction terms to explore the combined effects of private and public funding on electoral outcomes. This approach allows for a nuanced understanding of how different types of funding and party characteristics influence electoral success.

The model's robustness is assessed using standard diagnostic tests, including checks for multicollinearity, heteroscedasticity, and model specification errors. The results from these tests will be presented alongside the main findings to ensure the validity and reliability of the conclusions drawn from the data.

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Rationale for Operationalization

The operational definitions and variables selected for this study are rooted in the theoretical framework discussed earlier, emphasizing the importance of private and public funding in determining electoral outcomes. Focusing on these specific variables, the study aims to comprehensively analyze the factors influencing electoral success in Costa Rica's mixed-funding electoral system.

Analysis and Results

This section presents the results of the multi-regression analysis conducted to test the hypotheses related to the impact of private and public funding on electoral outcomes in Costa Rica. The analysis is based on data from the 2010 to 2020 general and municipal elections, encompassing various levels of political competition.

Descriptive Statistics

Before delving into the regression results, reviewing the descriptive statistics of the critical variables is essential. The dataset includes information from all political parties participating in the national, provincial, and regional elections during the specified period. On average, national-level parties received significantly more private funding than their regional or provincial counterparts, and the number of donors varied widely across different elections.

Regression Model

The regression model was constructed to predict the total number of votes (log(TOTAL)) a party would receive based on several independent variables: private funding (log(Fin)), number of donors (DON), party level (Nat et al.), public funding (PubFin), incumbency (Incum), and whether it was the party's first or second time participating in an election (First, Second). Interaction terms between private and public funding were also included to assess their combined effect on electoral performance.

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Key Findings

1. **Private Funding and Electoral Success (Hypothesis 1):**
The regression analysis confirms that private funding significantly predicts electoral success. The coefficient of private financing (log(Fin)) is positive and statistically significant at the 99% confidence level, indicating that higher levels of private funding are associated with an increase in the total number of votes a party receives. Specifically, for each 1% increase in private funding, the number of votes increases by approximately 0.46%, holding all other variables constant. This finding supports the hypothesis that private funding is crucial in determining electoral outcomes in Costa Rica (Ansolabehere et al., 2003).

2. **Number of Donors and Electoral Performance (Hypothesis 2):**
The number of individual donors (DON) is also a significant predictor of electoral success. The coefficient is positive and essential at the 95% confidence level, suggesting that an increase in donors correlates with a modest but meaningful increase in votes. The total number of votes increases by approximately 0.012% for each additional donor. This result aligns with the hypothesis that a more extensive and diverse base of donors reflects broader public support and enhances a party's electoral prospects (Whiteley, 2011).

3. **Impact of Party Level on Electoral Outcomes (Hypothesis 3):**
The analysis reveals that parties competing at the national level (Nat) perform significantly better than those at the provincial (Prov) or regional (Reg) levels. The coefficient for national-level participation is substantial and positive. It indicates that national parties receive more votes, mainly due to their broader visibility and the accumulation of votes across different electoral levels. National parties are estimated to receive 167.3% more votes than regional parties, all else being equal. This finding supports the hypothesis that national-level parties attract more funding and perform electorally (Carey, 1997)

4. **Interaction Between Public and Private Funding (Hypothesis 4):**
The interaction between public and private funding was explored to assess its impact on electoral outcomes. The results indicate a significant positive interaction effect, meaning that parties that can effectively combine public funding with substantial private donations are more likely to achieve electoral success. This finding suggests that while private funding is crucial, the ability to secure and leverage public financing further enhances a party's competitive advantage (González, 2009).

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Model Robustness and Diagnostics

The regression model explains approximately 71.8% of the variance in the total number of votes (R-squared = 0.7178), indicating a good fit. Diagnostic tests for multicollinearity, heteroscedasticity, and model specification errors confirmed the model's robustness. The residual standard error is low (1.17), supporting the model's predictive accuracy.

Discussion of Results

The results of this analysis underscore the critical role of private funding in shaping electoral outcomes in Costa Rica. Private donations not only provide the financial resources necessary for effective campaigning but also serve as a signal of a party's electoral viability, thereby attracting additional voter support. The number of donors highlights the importance of broad-based public support in electoral success, particularly in a system where only individual citizens can contribute to political campaigns.

The superior performance of national-level parties suggests that visibility and the ability to contest elections at multiple levels are critical advantages in the Costa Rican electoral system. Furthermore, the interaction between public and private funding demonstrates the value of a mixed funding strategy, where parties that effectively leverage both funding sources are more likely to succeed.

These findings have important implications for studying electoral systems and political finance, particularly in emerging democracies. They suggest that while regulatory frameworks can help level the playing field, disparities in private funding can still create significant advantages for certain parties, potentially influencing the fairness of the electoral process.

Private funding portrays the electoral outcomes

To test the first hypothesis, we must consider the predictor Fund and its relationship with the response variable Total. The coefficient of the private funding has the value of 0.4590594; since this is a relation between 2 natural logs, for each 1% increase in funding, the percentage of votes increases by 0,46%, holding all other variables constant. For instance, if observation 1, "ACCESIBILIDAD SIN EXCLUSION 2018", would have increased 1% of its funding,

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that would have increased its votes by 0,46%. In absolute numbers, if the party had received an additional ₡788 341, the number of votes would have also increased by 246, for a new total of 53 856.

We have demonstrated how statistically significant this relation is; however, is it substantively meaningful? The parties can use anticipated public funding for all the activities corresponding to the campaign elaboration; the private donations represent the trust they provide to the electorates. Even if the total amount of private funding is very significant, it does not represent the primary source of resources. The anticipated state funding and the bond certificates are, in a monetary sense, the propulsors of the material means that the parties use before the elections.

For example, in observation 2, the party that happened to have won the presidential elections that year, "*ACCION CIUDADANA*", received a total of ₡134 080 102,08 in private funding. According to the TSE, that same party asked for ₡210 752 000,00[7] in anticipated state funding and ₡2 200 000 000,00[8] in bond certificates. The complete collection of private funding in more than two years of political campaign represents merely more than half of the anticipated financial state support. In that sense, the expectation of electoral success drives the donors to support the parties financially. Rather than representing an essential element for electoral winning, private funding is the product of people's expectation of electoral winning, which also happens to contribute to the party's development. Not only does money attract winning, but winning also attracts money.

Diversification of donors and political trust

Furthermore, the coefficient of the number of donors is 0.0001180638. Since this is a log-linear relation, the percentage of votes increases by 0,012% for each additional donation, keeping all other variables constant. By reusing observation 1, one additional donation to the political party would have signified six extra votes, which would have resulted in a new total of 53,616 votes.

For hypothesis 2, we want to demonstrate that the total amount of private funding and the number of donors matters. Thanks to the personal-only condition of donations in Costa Rica, the physical supporters are the only ones capable of privately financing the parties. Even if

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the economic elite class donates to them, the model results show a positive relationship between more donors and electoral success.

Donor increments do not signify more resources but portray the variety of voters' confidence in the party's winning expectations, as proven by the statistical model. Even if money attracts money, if a party keeps increasing, a diversification of donors over time is expected; it enhances voters' trust and, therefore, private findings and electoral winning.

One possible stipulation is that even if additional donors represent additional electoral votes, the parties will be shaped by more members and held accountable for their political actions. In that sense, the donors will be reactionary to policy choices made by the elected candidates. In the parties' interest of maintaining and multiplying the donors, the elites will craft their agendas considering the supporters' stakes. Campaign promises will thus be essential to keep or pretend to preserve the donor's trust.

National-level participation: the best circumstances for more votes

The coefficient of the national-level status of the party is equal to 1.673012. Considering this is a log-linear relation, if the political party becomes national, its votes will increase by 167,3%, holding all other variables constant. An example would be observation 23; if this provincial party had been a national one, "*ACCION CANTONAL SIQUIRRES INDEPENDIENTE*", it would have experienced an increase of 1293 votes, reaching a new total of 2 066 votes.

These results are initially statistically significant compared to the two other scenarios. National elections concentrate most funding and validated votes. The possible outcomes are higher whenever a party can run at a higher stance. This possibility equally drives the electorate to a certain degree of confidence and expectation. Being a national player party intuitively brings more votes, but the expectation and possibility of new votes drive private funding and donors.

A practical and attractive case is the political party "RESTAURACION NATIONAL." The party was founded in 2005 and participated in the regional-level elections in 2006, receiving 32 909 votes. After the last 2009 electoral reform, the party continued running at the regional level, winning 29 530 votes (observation 158). Furthermore, the party registered nationally and participated in the presidential election in 2014, increasing their votes to 111,956 (ob-

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servation 159). Finally, for the 2018 election, the party won the first presidential round and acquired 14 seats in the National Assembly, for 926 590 votes (observation 161). By inertia, the elements of private funding and the number of donors exponentially increased by only participating nationally.

Increasing the votes by participating at the presidential and regional levels signifies additional state funding. Even if the party only obtained one seat for the 2010 and 2014 elections, the possibility of accumulating presidential votes increased the proportion of public financing the party could claim. This is because the TSE sums up the votes acquired in both elections. "RESTAURACION NACIONAL" was able to acquire ₡135 798 814,98 of political debt in 2010 and ₡517 844 610,09 in 2014, even if both elections had the same electoral outcome, only one party's deputy got elected. On both occasions, the party's vote share did not attain the 4% threshold, which means it could claim the political debt exclusively because of the seat obtained.

Conclusion

This work opens the debate on the role of private funding on electoral outcomes. Hence, the primary hypotheses have demonstrated the variables to consider for predicting the electoral results in a mixed-funding electoral system like Costa Rica. The private funding and the number of donors in such a model portray the electoral expectations. An increase in both variables is likely to predict a rise in the vote share for the political parties. However, the position level in which the party competes highly determines the number of votes.

Running at a national level creates a sense of stability and confidence for the voters and allows them to accumulate elections. The parties claim more state funding and increase the expectations of winning the next election. Considering that the parties are conditional on obtaining at least 4% vote's share or one parliamentary seat, it is more profitable for political parties regarding reasonable expectations and funding to participate in the higher possible scale elections. In this position, the party will increase its donations and donors as much as the electorate expects their electoral success. Combining these three elements thus predicts the total votes the political party will eventually obtain. Hence, the political parties in this context are presented with this simplified strategy compass; "Go big, or go poor."

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