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# The Rise of Right-Wing Populism in EU. A comparative analysis between the West and the East

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#### **Abstract**

Nowadays, the financial crisis of 2008, the globalization and the Syrian refugee crisis inter alia have enabled right-wing populist and Eurosceptic political forces to rise, putting the democratic, liberal and European values at stake. Moreover, these parties are now considered mainstream and so do their ideas. Inspired not only by the electoral success of Radical Right Populist Parties (RRPPs), but also from their normalization, this thesis tries to answer why they have been so successful in the 21st century. To answer this question, this thesis identifies some of the cultural, economic, and political factors that are supposed to fuel the rise of Right-Wing Populism and measures their relative importance through panel data analysis, using as case studies twenty-five European countries where RRPPs have entered the national parliament (twenty-two EU member-states, United Kingdom, Switzerland and Norway). The dependent variable, RRPPs' electoral success in European countries' national elections, is measured against GDP, unemployment, immigration, corruption, and globalization in three different panels focusing on the whole of EU, Western and Eastern Europe respectively. The results of the panel data analysis showed that immigration fuels the electoral success of RRPPs both in the whole of EU and the region-focusing panels (Western and Eastern Europe), while the impact of the economic factors varies. Finally, corruption and globalization generally fuel RWP in Western Europe and the whole of EU, while they do not affect the electoral success of RRPPs in Eastern Europe.

**Keywords:** Right-wing populism, Radical Right Populist Parties, EU, Western Europe, Eastern Europe, refugee crisis, economic crisis, globalization, corruption, panel data analysis.

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### IV. List of Abbreviations

General Abbreviations		
ALDE	Alliance of Liberals and Democrats in Europe	
ANO	ANO 2011 (Czech Republic)	
CEEC	Central and Eastern European Countries	
СРІ	Corruption Perception Index	
EC	European Commission	
ECB	European Central Bank	
ECR	European Conservatives and Reformists	
EEA	European Economic Area	
EFTA	European Free Trade Agreement	
EP	European Parliament	
EPP	European People's Party	
EU	European Union	
GDP	Gross Domestic Product	
ID	Identity and Democracy	
IMF	International Monetary Fund	
ISIS	Islamic State of Iraq and Syria	
KOFGI	KOF Globalization Index	
LWP	Left-wing Populism	
M5S	Five Star Movement (Italy)	

MSI	Italian Social Movement		
NATO	North Atlantic Treaty Organization		
NP	National Parliament		
OECD	Organization for Economic Cooperation and Development		
ÖVP	Austrians' People Party		
RRPPs	Radical Right Populist Parties		
RSF	Reporters Without Borders		
RWP	Right Wing Populism		
S&D	Socialists & Democrats		
SYRIZA	Coalition of Radical Left (Greece)		
TAP Index	Timbro Authoritarian Populism Index		
UNHCR	United Nations High Commissioner for Refugees		
WWII	World War II		
WJP World Justice Project			
Econometrics Abbreviations			
FE	Fixed Effects model		
IPS unit-root test	Im – Pesaran - Shin unit-root test		
LM	Breusch and Pagan Lagrangian multiplier test (LM)		
OLS	Ordinary Least Squares Regression		
RE	Random Effects model		
VIF	Variance Inflation Factor		

Right-Wing Populist Parties: Name Abbreviations				
Western Europe				
Original name	English name	Abbreviation		
Austria				
Freiheitliche Partei Österreichs	Freedom Party of Austria	FPO		
Bündnis Zukunft Österreich	Alliance for the Future of Austria	BZO		
Belgium	1			
Vlaams Belang	Flemish Interest	VB		
Cyprus				
Ethniko Laiko Metopo	National Popular Font	ELAM		
Denmark				
Dansk Folkeparti	Danish People's Party	DF		
Finland				
Perussuomalaiset	Finns Party / True Finns	PS		
Sininen tulevaisuus	Blue Reform	SIN		
France	France			
Rassemblement national	National Rally	RN (former NF / FN)		
Germany				
Alternative für Deutschland	Alternative for Germany	AFD		
Greece				
Anexartitoi Ellines	Independent Greeks	ANEL		

Laikos Orthodoxos Synagermos	Popular Orthodox Rally	LAOS	
Elliniki Lisi	Greek Solution	EL	
Chrysí Avgí	Golden Dawn	XA	
Italy			
Lega (Lega Nord)	League (North League)	LN	
Fratelli d'Italia	Brothers of Italy	FdI	
Luxembourg	'	'	
Alternativ Demokratesch Reformpartei	Alternative Democratic Reform Party	ADR	
Netherlands			
Partij voor de Vrijheid	Party for Freedom	PVV	
Forum voor Democratie	Forum for Democracy	FvD	
Norway			
Fremskrittspartiet	Progress Party	FrP	
Sweden			
Sverigedemokraterna	Sweden Democrats	SD	
Switzerland			
Schweizerische Volkspartei	Swiss People's Party	SVP	
United Kingdom			
United Kingdom Independence	UKIP		

Eastern Europe			
Bulgaria			
Ataka	Attack	ATAKA	
VMRO – Bălgarsko Nacionalno Dviženie	IMRO – Bulgarian National Movement	IMRO - BNM	
Croatia		-	
Domovinski pokret	Homeland Movement	DP	
Czech Republic			
Svoboda a Prímá Demokracie	Freedom &Direct Democracy	SPD	
Estonia			
Eesti Konservatiivne Rahvaerakond	Conservative People's Party of Estonia	EKRE	
Hungary			
Fidesz - Magyar Polgäri Szövetség	Fidesz – Hungarian Civic Alliance	FIDESZ	
Jobbik Magyarországért Moszgalom	Jobbik Movement for a Better Hungary	JOBBIK	
Latvia		-	
Nacionālā apvienība	National Alliance	NA	
Par cilvēcīgu Latviju	For a Human Latvia	KPV LV	
Lithuania			
Tvarka ir teisingumas	Order and Justice	TT	

Poland			
Prawo i Sprawiedliwość	Law and Justice	PiS	
Kukiz'15	Kukiz'15	K	
Konfederacja Wolność i Niepodległość	Confederation Liberty and Independence	Konfederacja	
Kongres Nowej Prawicy	Congress of the New Right	KNP	
Slovakia			
Sme Rodina	We are Family	SR	
Slovenska Narodna Strana	Slovak National Party	SNS	
Slovenia			
Slovenska demokratska stranka	Slovenian Democratic Party	SDS	
Slovenska naciolna stranka	Slovenian National Party	SNS	

#### 1. Introduction

In the aftermath of Cold War, American political scientist and philosopher, Francis Fukuyama characterized the fall of Communism as "the End of History". He described it as the indisputable victory of the Western Liberal Democracy, in his book "The End of History and the Last Man" (1992), arguing that the perpetual ideological evolution of humans had come to an end and that the Western model of Governance (liberal democracy) was proven to be the superior form of government. Some thirty years later, the financial crisis of 2008 and the discontent with the economic policies of the European Union, the Syrian Refugee Crisis of 2015, and the process of rampant globalization, inter alia, have enabled populist, Eurosceptic and radical right political forces to rise, putting the democratic, liberal, and European values at stake and doubting Fukuyama's arguments about the end of history regarding the political evolution of the mankind. As a result, EU and the member states find themselves at a critical juncture since the rise of right-wing populism has weakened the Union's internal structure and its system of values.

The rise of Right-Wing Populism is not a new phenomenon. From the early 1980s since the outbreak of the Global Economic Crisis of 2008 and the European Debt Crisis that came after, populism was (almost) exclusively associated with parties of the Radical Right like Freedom Party of Austria (FPO), Front National in France and Vlaams Belang in Belgium; what Klaus von Beyme (1988) called the "third wave of the Far Right". Since then, not only have leftwing (especially in the South after the European Debt Crisis) and centrist populist parties (like ANO in Czech RP) emerged but they have also achieved important electoral successes. However, Radical Right Populist Parties (hence off RRPPs) constitute (by far) the most successful group of populist parties in Europe in the 21st century.

Even though RRPPs were part of the political spectrum in Europe since 1980s, two decades ago it was a scandal when a RRPP entered a governing coalition. In 1999, when Freedom Party of Austria (FPO) became part of the governing coalition in Austria (the first RRPP participating in government in post-war Europe), EU member-states imposed sanctions on Austria, and accused the country of normalizing far-right. Twenty years later, in 2018, FPO participated in the government for the second time but there were no reactions at all.

Accordingly, the ruling party of Hungary, Fidesz, which is one of the most successful RRPPs in Europe, was a member of the center-right (and mainstream) European People's Party (EPP), a European political party in the European Parliament (EP) with Conservative,

Christian democratic, and Liberal Conservative (Nordsieck, 2020) party members, despite its authoritarian stance (Halmai, 2019; Rogers, 2020; Kim, 2021) its nativist rhetoric (Pirro, 2017; Kim, 2021), the serious violations of human rights (Vida, 2019; Bender, 2020) and Rule of Law (Bugaric, 2014; Ágh, 2018), and consequently, the transformation of Hungary to an illiberal democracy. In fact, the Hungarian prime minister and Fidesz leader, Viktor Orban has been characterized as an "illiberal democracy booster" (Mudde, 2019) while the term "Orbanization" is used as an indicator of the rise of RWP and its features (authoritarianism, nativism, Islamophobia) in Europe (Mudde, 2019: 29; Oláh, 2017). Even though, Fidesz is no longer a member of EPP (from March 2021), the fact that it was not expelled from a mainstream European political group despite its authoritarian agenda, is worrisome. Moreover, Hungary and Poland have violated Rule of Law and human rights multiple times (Kelemen & Laurent, 2018; Wyrzykowski, 2019) and even though EU has accused them of doing so, no sanctions have been imposed.

Therefore, we realize that the problem is two-dimensional. Firstly, it is combined with the electoral success of RRPPs which tripled their vote percentage in the 21st century. Secondly (and most importantly), it has to do with their normalization; the fact that their ideas, their rhetoric, and their policy proposals are no longer unacceptable (at least not to the same extent as they did twenty years ago) and they are gradually becoming a mainstream political group. Mudde (2019) mentions that this normalization indicates the emergence of a "fourth wave" of post-war radical right. According to Mudde (2019: 31) "the crisis (the Refugee Crisis of 2015) has led to the mainstreaming and normalization of authoritarian, nativist, and populist discourses and policies across the continent". Thus, not only RRPPs are becoming mainstream but also do their ideas. Even though their impact is bigger in countries where they rule (Mudde & Kaltwasser, 2012), their rise shifted the gravitational center of public opinion to the right and consequently, the political positions of mainstream parties towards more extreme viewpoints in issues like immigration. Therefore, the rise of RWP influenced public policy-making (Bale, et al. 2009), even in countries where the electoral success of RRPPs was not that important (e.g., the role of UK Independence Party regarding the Brexit referendum, even though it has only won one seat in 2015 general elections).

Inspired not only by the electoral success of RRPPs but also from their normalization, this thesis focuses on the examination of the rise of RWP in European Union and investigates the reasons why RRPPs have been so successful in the 21st century. At this point, it is important to mention that even though RRPPs are examined as a whole in this thesis, they are not a fully

homogeneous group of parties. For instance, some of them like Alternative for Germany (AFD) are economically neoliberal, while others, like Sweden Democrats, promote welfare chauvinism (Derks, 2006; Mudde, 2007) which is a type of state interventionism but only in favor of the 'pure and moral' nationals. However, in this thesis, we are using the 'minimum definition' of RWP which combines three critical features of RRPPs' ideology: populism, nativism, and authoritarianism (Mudde 2007, 2012; Rooduijn, 2014).

To answer this question (regarding the rise of RWP and the normalization of RRPPs), this thesis identifies some of the main factors contributing to the electoral success of RRPPs, be they cultural, economic, or political, and measures the effect of each one of them on the rise of RWP through econometric analysis. The dependent variable, the electoral results of RRPPs in European countries' national elections, is measured against various independent variables investigating the role of economic, political, and cultural factors.

More specifically, a Panel Data analysis is performed with the Stata Statistics software of 2013. Taking as a starting point the year after the EU Eastern Enlargement of 2004 (when eight Eastern European countries became EU member-states), the Panel Data analysis of this thesis focuses on the investigation of various factors and events and examines their effect on the rise of RWP in EU, using as case-studies (entities in the panel) twenty-five European countries (twenty-two EU member-states, United Kingdom, Switzerland, and Norway). The minimum prerequisite to include a country in the Panel Data analysis is the entry of a RRPP in the national parliament during the examined period (2005 – 2019).

The dependent variable of this model is the electoral results of RRPPs in the national elections from 2005 to 2019 (Timbro Authoritarian Populism index, 2019). This chronological period is selected since it starts straight after the Eastern Enlargement (and thus, the Eastern European member-states are fulfilling certain criteria to enter the EU) and ends one year before the outbreak of the Covid-19 pandemic, the improbable consequences of which, have also impacted the data from 2020.

The independent variables examine the role of economic factors (GDP and unemployment) in order to investigate the effect of the Global Financial Crisis and the role of immigration and the refugee/population ratio as an indicator of the Refugee Crisis of 2015. Therefore, the first research question of this thesis is the following:

If and to what extent did the economic and the refugee crises fuel the electoral success of RRPPs and consequently the rise of Right-Wing Populism

Moreover, the panel data analysis examines the role of other reasons like corruption, which fuels political distrust (since transparency is one of the main pillars of quality of governance), and globalization which is generally demonized by right-wing populists since it is presented as one of the main reasons for cultural backlash and economic deprivation ("losers of globalization thesis").

The second section of the methodology focuses on a comparative analysis regarding the role of the aforementioned factors in the electoral success of RRPPs in the Western and the Eastern regions of the European Union. Therefore, the second research question of this thesis is the following:

Which are the main differences between the Western and the Eastern regions of the EU, regarding the rise of RWP?

Starting with the literature review, the first chapter presents some of the existing literature on right-wing populism and is divided into two sections. The first focuses on populism and tries to explain this contested term. The second section focuses on the rise of RWP and explains the main difference between RRPPs in the 21<sup>st</sup> Century and the three previous waves of radical right. Furthermore, it examines the most important theoretical approaches regarding RWP, presents the possible reasons of the electoral success of RRPPs, explain the supply and demand side of RRPPs and examines its most important consequences, especially in the countries where RRPPs are ruling.

The second section presents the methodology of this thesis, focuses on the theoretical presentation of the empirical model, sets the general expectations of the empirical analysis, and presents the research questions of this thesis and the empirical literature review. Furthermore, it presents the theory of the regression diagnostics which are going to be tested in the Panel data and explains terms like stationarity, cross-sectional dependency, heteroskedasticity and multicollinearity. Finally, it explains the Panel data analysis and the reasons why it is selected as the best possible method of econometric analysis in this thesis and presents the three methods of a panel data analysis (Pooled OLS, fixed effects and random effects).

The third and final section focuses on the econometric analysis of this thesis and presents the data I am going to use, the results of the regression diagnostics (alongside the problems that may arise and the proposed solutions) and the proper selection of the model (Pooled OLS, FE, RE). Finally, it presents, evaluates and discusses the results of the Panel Data analyses.

According to the results, refugee flows fuel the electoral success of RRPPs in all the three panels of the econometric analysis (whole of EU, Western Europe, and Eastern Europe). Moreover, the panel data analysis indicates that the economic factors influence the electoral success of RRPPs in the 1<sup>st</sup> panel which focuses on the rise of RWP in the whole of EU. The negative correlation of unemployment and RWP is the most surprising result of this analysis. Regarding the region-focusing panels, the economic factors do not affect the electoral success of RRPPs in the Western Europe, while they do affect it in the Eastern Europe (with the same surprising result regarding unemployment). Conversely, corruption and globalization generally play fuel RWP in Western Europe and the whole of EU, while they do not affect the electoral success of RRPPs in Eastern Europe.

Conclusively, the academic contribution of this thesis mainly stems from the number of case-studies and the selection of the chronological period in an econometric analysis about the rise of right-wing populism. In fact, the inclusion of twenty-five European countries in a panel data analysis and the examination of the impact of multiple factors in the electoral success of RRPPs in Europe from 2005 to 2019, makes this thesis one of the most extensive econometric analyses of the rise of RWP in Europe.

#### 2. Literature Review and Theory

#### 2.1 Introduction to the chapter

This chapter presents the literature review and the theoretical framework regarding the rise of right-wing populism (RWP) in the European Union. This analysis will set the expectations of the empirical model of this thesis, presented in the next chapter. The first section focuses on the concept of populism and tries to elaborate this contested term and its main characteristics. Furthermore, it analyzes the theories explaining populism, and its aspects, like the rhetoric of the populist leaders. The second section focuses on the main topic of this thesis, the right-wing populism, and its rise in the EU. It tries to identify its characteristics, to explain the success of the right-wing populist parties and to present the most important cases in the European Union. Furthermore, it presents the supply and the demand side of RWP alongside the profile of the RWP parties' voters and the main reasons of the rise of RWP in the EU. Finally, it focuses on the consequences of the RRPPs' rise, in order to find out if the rise of RWP is actually threatening to the liberal democracy and European values and to what extent.

#### 2.2 Populism

Before analyzing right-wing populism, its main characteristics, the reasons for its rise, and the threats it poses to democratic and pan-European values, it is important to define the term "populism". What is populism? Which are the common characteristics the populist leaders share? Why is populism dangerous and to what extent? These questions are of the utmost importance and will help us understand a concept that is used more and more often in the public sphere but seems like there is not a fully precise definition to explain it. In general, populism refers to a range of political stances that emphasize the idea of "the people" and often juxtapose this group against "the elite" (Mudde, 2013; Akkerman et al, 2017; Jacobs et al, 2018). The term developed in the 19th century and has been applied to various politicians, parties, and movements since that time, although it has rarely been chosen as a self-description by any of them (there are certain exceptions like Lega Nord's leader Mateo Salvini mentioning that even though populist is used as an insult, for him it is a compliment).

Even though literature on populism is particularly broad, there are various and sometimes contrasting opinions regarding its content. It is important to mention that populism is not something static but takes different shapes since its characteristics, causes and consequences vary from one society to another. Accordingly, it gains more support and is more successful in some places and among specific social groups than among others. In fact, whenever

societal conditions change, populism follows suit. Thus, it is an "ambiguous" and "vague" concept, both scientifically and politically (Canovan, 1999; Mudde & Kaltwasser, 2017). Within political science and other social sciences, several different definitions of populism have been introduced, with some scholars proposing that the term be rejected altogether.

#### 2.2.1 A brief Historical Framework of populism

Starting with some historical facts about populism I am trying to answer those questions and explain this "contested concept" (Mudde, 2017). According to many scholars, the term "populism" was first used to describe political movements of the 19<sup>th</sup> century, like the "Narodnichestvo" movement which started by rebel students and academics in Russia during the 1860s and 1870s in order to overthrow the Tsarist regime (Deiwiks, 2009; Campani & Pajnik, 2016). Another populist movement of the same era is the American Farmers' movement which evolved into the People's Party (or Populist Party) in the late 19<sup>th</sup> century US (Tindall, 1972; Parsons et al, 1983). The party's main goal was the overthrown of the American aristocracy and plutocracy in favor of the popular sovereignty.

This first form of populism is named agrarian as it juxtaposed the peasants against the elites. During this historical period, populist movements opposed the modernization of the societies and supported the return to a simpler way of life. Furthermore, the emergence of populism was possibly a reaction against democracy's inability to fulfil the promise of popular sovereignty and universal suffrage during "Liberalism's Crisis of Identity" from 1880 to 1914. During this first period of populism, the movements already share some certain characteristics of populism like anti-elitism and anti-establishment. In fact, this was the reason why the first populist parties were founded, as a reaction to the "corrupt elites" which oppressed the "common people" and impinged upon their rights and interests (Dyrenfurth, & Quartly, 2007).

In 1950s and 1960s the term became increasingly popular among social scientists in Western countries to describe leaders and regimes of various ideologies, like Peron in Argentina and Vargas in Brazil (Groppo, 2010). Examples of this period in Europe are the Progress Party (RWP party in 1970s Denmark), the Farmers' party (Agrarian party in 1960s Netherlands) and the Defense of Tradesmen and Artisans in 1950s France (Mudde, 2004). Later in the 20th century populism was applied to various political parties active in liberal democracies. In Europe, from the early 1980s, populism was associated exclusively with the parties of the Radical Right.

Nowadays, the term has become very common in political discourse, particularly in Europe and the Americas, to describe different types of political parties across the political spectrum (left-wing, right-wing, and even centrist) that achieved high levels of support, challenged the established ones and shared certain characteristics, be it rhetorical or political. The rise of populism in the 21<sup>st</sup> century is highlighted in a research conducted by Guardian (2018: "Revealed: one in four Europeans vote populist") in collaboration with thirty political scientists. Matthijs Roodujin, a political sociologist in University of Amsterdam who was in charge of the project, mentions that populism has nowadays become mainstream, explaining that the analysis and understanding of major political events like the election of Donald Trump and the Brexit is improbable without considering the role of populism. According to the research, which was published on 20th November 2018, one out of four Europeans voted for populist parties which tripled their electoral support since 1998. Thus, the increasing interest in research on populism is explained by the rise of electoral support achieved by many populist parties in Europe.

This diversity of politicians and movements characterized as populists in the course of time, explains why many scholars mentioned that this concept is too vague and refers to a wide variety of phenomena. Laclau (1977), observed that very few terms in modern political analysis have been defined with less precision. Mudde (2017: 1) tried to explain how contested concept populism is by quoting Gallie who had characterized as contested the "concepts the proper use of which inevitably involves endless disputes about their proper uses on the part of their users" (Gallie, 1995: 169). In the same way, Brubaker (2019: 1) mentions that "few categories in the social science lexicon have been more heatedly contested in recent years than 'populism'. The conceptual meaning, empirical extension and normative valence of the category are all deeply disputed."

#### 2.2.2 Populism as a "thin ideology"

This ambiguity of populism is highly explained by the fact that it is not an ideology similar to the mainstream ones. It does not have the common characteristics the traditional political ideologies share. Theories like liberalism, socialism and conservativism are certain sets of principles, economic and social doctrines and ethical ideals that try to explain how societies should work and offer some political and cultural blueprints for a certain social order. An ideology can be considered as a holistic vision, a way of dealing with things in common sense and in accordance with various philosophical tendencies (including political ideologies), or a set of ideas proposed by a social class for society as a whole. The main goal of an ideology is

to bring change to society through a regulatory process (how the world should be). On the contrary, populism, only considers societies to be completely divided into two homogeneous and competing groups; the "pure people" against the "corrupt elites". This ideology argues that politics should be the expression of the general will of the people (volonte generale) (Cas Mudde, 2007: 23).

Therefore, populism is characterized as a "thin ideology" (Mudde, 2004). Michael Freeden (2003) introduced the term "thin ideology" to describe notions like feminism and nationalism which have an identifiable morphology, like the mainstream ones, but unlike the mainstream ones, this morphology is restricted. According to many scholars, populism is a thin ideology (Mudde, 2004; Stanley, 2008) which considers societies to be completely divided in two groups: the pure people against the corrupt elites. Except from this argument, populism (as a whole) does not have other concrete characteristics that could make us classify it as a "thick" ideology.

Because populism is a thin ideology, it does not propose a specific way of organizing politics, society, and economy and therefore it can be adapted for use on the left and the right. According to Mudde and Kaltwasser (2013: 148), this volatility of populism is one of its main characteristics. This minimalist definition effectively captures the malleability and tendency of populism to attach itself to other "thick" ideologies (conservatism, socialism, etc.), but also the alleged confrontation between the "common people" and the "establishment", a term that encapsulates traditional parties but also cultural, economic and media elites.

Except from the establishment, the will of the people can also be confronted by external "enemies of the people". When discussing migration or refugees, for instance, European right-wing populists respond with a "common sense" defense of the (native) people against a demonized out-group, namely immigrants. Crime and terrorism would be additional examples of how the populist politics of feelings oppose the elite-led politics of facts. Accordingly, in case of the EU's structural issues, populists (both left and right-wing) respond with Euroscepticism (Ruzza, 2009; Bale, 2018). Some of them disagree with a possible further enlargement, others disagree with its current form, while there are also populists who are in favor of its dissolution. The most characteristic example of the combination of populism and Euroscepticism is possibly the role of RRP United Kingdom Independent Party on Brexit.

#### 2.2.3 The sub-categories of Populism

If populism is adapted for use on the left and the right, the classification of populist parties in smaller categories helps us understand the notion properly and understand the specific characteristics of different populist parties. Meyer (2021) classifies the different types of populist parties in three sub-categories according to the reasons for their rise and the policy areas they focus on.

Firstly, there is socio-economic populism, which promises the transfer of resources from "the rich to the poor". These parties (mostly economically left-wing) took advantage of events like the Global Financial Crisis of 2008 to achieve electoral success. Even though they are popular in the short run, their policy proposals are infeasible and if implemented, they may have devastating consequences for a country's economy. Thus, they find it hard to sustain in the long run. In socio-economic populism "the true people are the honest, hard-working members of the working class, and outsiders are the big businesses, capital owners and international financial institutions benefitting unjustly from the working class's difficult economic circumstances" (Meyer, 2021: 6).

Secondly, there is anti-establishment (or political) populism which questions, undermines, and discredits established institutions and the political status quo in an authoritarian way. This type of populism focuses on the subversion of the political establishment which is presented as a hindrance to the will and prosperity of the "common people". The parties (left-wing, right-wing but also centrist like ANO) focus on issues like government effectiveness, rule of law and corruption and divide the society into the common people and the (corrupt) political elites.

Last but not least, there is cultural populism which is possibly the most common in contemporary European Union. Cultural populism focuses on the protection of the common people of a specific race, religion, culture, or nationality by juxtaposing them against outsiders, like ethnic or religious minorities and refugees. Even though cultural populism is not a contemporary phenomenon, it found fertile ground to rise during and after the refugee crisis of 2014. RRPPs like National Rally in France, Fidesz in Hungary and AFD in Germany are characteristic examples of cultural populists. Aside Europe, leaders like the former US president Donald Trump and the Brazilian president Jair Bolsonaro fall into this category as well. Cultural populist parties and leaders present themselves as the guardians of cultural,

ethnic, or religious values against "external threats" (this category is further analyzed in the next subchapter of this thesis about Right Wing Populism).

Thus, there are numerous parties which are characterized as populist across the left-right political spectrum. There are left-wing populist parties, like Syriza (Coalition of Radical Left) in Greece and Podemos in Spain and right-wing populist parties, like FPÖ in Austria, Lega Nord in Italy, National Rally (RN) in France, UK Independence Party and FiDESZ party in Hungary. In recent years we have also noticed that there are political parties self-characterized as centrists to have a populist agenda. Such parties are the 5 Stars Movement (M5S) in Italy and the (ruling until 2021 national elections) ANO party in Czech Republic which is also a member of the Alliance of Liberals and Democrats in Europe, ALDE.

To understand how big, the ideological and political differences of parties classified as populists are, six of them (RN, Lega, UKIP, M5S, Syriza and ANO) are placed in a political compass (Figure 1) according to their ideology and their policy proposals. The compass is based on Kitschelt's (1994) two-dimensional Political Space where the left-right horizontal axis measures the parties' stance on how the economies should be ran (state interventionism on the left versus free market capitalism on the right) while the authoritarian-libertarian vertical axis measures their political views on societal issues like migration and human rights.

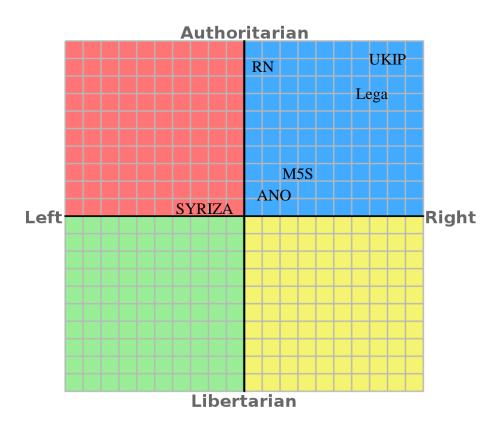


Figure 1 Political Compass of six Populist Parties: Source by author, 2021

#### 2.2.4 Theoretical approaches of Populism

The vagueness of the notion and the fact that different types of parties (as it is shown in the political compass) and leaders are characterized as populists, raises the question of what unites them. As already mentioned, in order to make a political impact, to draw attention and to achieve their goals, populists need adversaries (or enemies), an audience (the people) and adherents. Thus, according to many scholars, a common and essential component of populist discourse across Europe and beyond is anti-elitism. This theory opposes the common people ("us" – the audience) to the elites ("them" – the enemies) in a Manichean division of the society (Wodak, 2017). Panniza (2005) characterizes elitism as the true mirror-image of populism to show how opposite the common people and the elites really are for populists.

In general, populist anti-elitism presents the political opponents of populist parties as corrupt elites and immoral enemies of the people whose rights and interests oppose (Akkerman et al, 2014). According to Mudde (2017) this is one of the differences of populism with other ideologies based on anti-elitism, like socialism which divides the society on the concept of class and nationalism which is based on the concept of nation. Therefore, populist anti-elitism is a form of anti-pluralism based on "morality". This division of the society in moral terms (the "authentic" and pure people against the corrupt, non-authentic elite) explains why there are populist leaders who are billionaires, like Silvio Berlusconi (Italy) and Andrej Babis (ANO, Czech RP) or ethnic minorities like Alberto Fujimori (Peru). This happens because "the distinction is based on morality and not class or nation and thus they can be considered more authentic representatives of the people than leaders with a more common socio-economic status or a majority ethnic background" (Mudde, 2017: 4).

Brubaker (2020) mentions that this theory of the elite against the common people is two-dimensional. On the one hand, it focuses on 'them' the elite above us (vertical). On the other it focuses on 'them', the others across the border (horizontal) (Brubaker, 2017). The first part of this theory is mainly introduced by non – governmental populist parties which are blaming the corrupt status-quo inside the countries (e.g., ruling parties) for the deteriorating situation and the problems of the "people". Furthermore, it is used by ruling populist parties blaming economic elites inside the countries, or private institutions etc (a characteristic example is the leader of Fidesz, Victor Orban who blames George Soros for many problems of the Hungarian society). The second part is usually used by governing populist parties which are blaming foreigners, institutions, or political organizations across the borders for the same reasons (very common in right-wing populism). Accordingly, Taguieff (1989) mentions that

when the enemy of the people is the "above" (the elites), we have a socio-populism of protest and denunciation. However, when the enemy is the "opposite" (e.g., foreigners or immigrants), we have national populism (Taguieff, 1989).

Even though anti-elitism is a critical component of populism, it is not enough to grasp the meaning of populism on its own and thus, the term remains unclear. According to Mudde this vagueness results in it being constructed and perceived differently even by populists living in the same country. Stanley (2008: 102) identifies four core elements of populism to explain it in a more precise way: "the assumption of the existence of two homogeneous units: the elite and the people; the postulation of an antagonistic relationship between these two entities; the celebration of the idea of popular sovereignty; the positive moral valorization of the people and denigration of the elite".

Müller (2017) mentions that the criticism of elites is a necessary component of populism, but it is not enough to characterize someone as a populist if it is not combined with other characteristics like the criticism of the status quo. He defines populism as a denunciation of pluralism (anti-pluralist dimension of populism) on the ground that populist leaders will claim that they are the true and only representatives of the will of people, as opposed to the corrupt elites (the status-quo). Therefore, populists undermine democracy since they proclaim themselves as the only legitimate representatives of the people. This self-identification doubts one of the key components of democracy, that majorities can change and that the interests of minorities need to be protected. The logic of populism, to divide the political sphere into "us" versus "them" denies the validity of other political positions and thus, populism stands in direct opposition to pluralism. Moreover, Müller pinpoints three main features of a populist government: an attempt to hijack the state apparatus, an increasing corruption and mass clientelism. By doing so, populism tries to systematically suppress civil society.

Benjamin Moffitt (2016) also focuses on this division by explaining that populists claim to represent the will of the people by opposing the political elite which represents the existing system of government. He also mentions that populists tend to behave in a certain way; they are usually bad mannered, and they tend to make political promises, even though they seem impossible to keep. By stressing that these promises are vital for the people, they preserve a state of political crises, in order to keep being offensive and achieving political gains.

The last section of the theoretical framework focuses on the consequences of populism. While many authors argue that populism should be seen as a pathology, others believe that it

embodies the purest form of political articulation. In order to explain if and to what extent populism is a threat to democracy and pluralism, Mudde pinpoints the necessity to define democracy which is another "contested concept" approached in three ways: as democracy, liberal democracy, and radical democracy.

Firstly, democracy without adjectives "refers to the combination of popular sovereignty and the principle of majority" and can be direct, indirect, liberal, or illiberal, while representative democracy is defined as a minimal concept. Secondly, according to Dahl, liberal democracy is a system which is not only characterized by free elections, popular sovereignty and the principle of majority but also by the constitutional protection of the rights of minorities. Its most important element is the ability to secure both public debate and political participation. Finally, according to Laclau and Mouffe (1985), radical democracy means the "root of democracy" on the ground that liberal and deliberative democracy oppress different opinions, races or viewpoints while trying to build consensus. Thus, there are oppressive power relations inside the societies and struggle is needed in order to identify and alter them.

Even though populism is (theoretically) democratic since populist parties do participate in the elections and do not mean to overthrow the democratic institutions as such (Mény and Surel 2002), it is contrary to liberal democracy. This happens because the liberal democratic consensus about equality before the law and constitutional protection of minority rights inter alia is opposed to populism which is a monistic and manichaeistic ideology that protects the "general will of the people" that is not restricted by anything – even by institutions like the judicial system. Kaltwasser (2011) mentions that even though populism is a "democratic pathology" in the liberal approach, it is "an essential element" of democracy in the radical approach", and "a democratic ambivalence" in the minimal approach.

The question that raises from this relationship of populism and democracy is if populism can actually be corrective for or it is only threatening to democracy (Kaltwasser, 2012). According to Mudde and Kaltwasser (2012) it can be both. To validate their argument, they present basic assumptions (based on empirical findings) regarding populism, democracy and pluralism in Europe and the Americas: In general, they find that populism is more effective in "weak democracies", seize its impact is bigger when populists power and smaller when they are in opposition. They mention that populism is corrective whenever it improves the quality of democracy by deepening it (in established democracies) or consolidating it (in non-established democracies). However, populism undermines democracy when it contributes to its erosion in established democracies (e.g., electoral fraud, undermining the rule of law,

concentrating powers in the hands of the leaders) or to its demise in the non-established ones. Furthermore, populism can sometimes be corrective by giving voice to parts of the society that are not represented by the elites, by mobilizing vulnerable groups (e.g., the underprivileged) and by promoting their political integration.

On the contrary, populism is a threat whenever it invokes the popular sovereignty in order to oppose the separation of powers (an essential element of the liberal democracy and the rule of law) and the checks and balances (rights of mutual control and influence) which make sure that the three powers (Legislature, Executive, Judiciary) interact in an equitable and balanced way. Moreover, it is a threat when it invokes the principle of the majority to ignore or abuse the rights of minorities. Finally, another negative effect of populism, stems from the "moralization" of politics, which undermines any attempt of rapprochement, consensus and political compromise. This happens because populists divide societies into "moral people" and "corrupt elites" and thus, they rarely cooperate with other political parties (which are considered as corrupt).

Conclusively, according to the theoretical approaches of populism, we can summarize its main characteristics. The first and most important one is the central position of the ("pure") people. The second is the homogeneity of people: Usually in morality, but also according to nation, religion and so on. Their language is based entirely on "We", on the rejection of the legitimacy of other political actors: "We, and only we, are the people." In fact, not only populists claim the moral monopoly of representing the "true people" but they also pinpoint that the citizens who do not support them no longer belong to this moral group. In the United States, for instance, the supporters of Donald Trump called themselves "real Americans." This term excludes everyone else. The third key characteristic is the ("corrupt") elites which are identified as the core enemies of the "pure people" (anti-elitism) and they are accused of being corrupt, incompetent and enemies of the nation. These are two exclusions that occur simultaneously. The aim is not only to divide the political field between the elites and the "true people", but also to consider all the citizens who oppose the populist movements as suspects, thus losing their moral prestige. It is at the same time the symbolic exclusion of the elites, the discrediting of the minorities and the incrimination of the political opponents. The fourth one is a sense of perceived political, economic, and cultural crisis which is related to the exploitation of the people. Following the thin-centered ideology approach proposed by Cas Mudde (2004), the last important feature of populism is that it is frequently accompanied by a hosting ideology which complements those ideological aspects that populism does not include. All these characteristics are also prominent on Right-Wing Populism which is analyzed in the following section.

#### 2.3 Right-wing Populism

In his famous book, "Right-wing Extremism in Europe", German political scientist Klaus von Beyme (1988) distinguished three different waves of right-wing extremism in Europe after the end of World War II. His distinction is based on chronological and ideological criteria. Starting in 1945 he characterizes the first wave as neo-fascist (until 1955), the second wave as right-wing populist (1955 – 1980) and the third (from 1980 onwards) as radical right.

The first wave includes neo-fascist movements which emerged as an attempt of fascist leaders to bounce back from their defeat in WWII. Characteristic examples of this first period of postwar right-wing extremism are the Italian Social Movement (MSI) which was a neo-fascist and nationalist, political party founded in 1946 and the European Social Movement, a neo-fascist alliance founded in 1951 in order to promote pan-European nationalism.

According to Mudde (2019) the most characteristic case of the second period is the Defense Union of Shopkeepers and Craftsmen, most known as Poujadists (after their leader Pierre Poujade), in France which counted 400.000 members in 1955 and gained fifty-two seats in the 1956 French elections (the name of the party was Union and French Fraternity and Marine Lepen's father, Jan Marie was the leader of their youth wing). Other important parties of this period are the Progress Party (Denmark: 15.9% in 1973 national elections) and Progress Party in Norway. Mudde characterizes these parties as "neoliberal populists" since they opposed high taxation and big governments. In the same chronological period, some far-right parties emerged, like the National Democratic Party of Germany (NPD), which was founded in 1964 and mainly opposed non-European immigration and the British National Font (its main slogans were "make Britain great again" and "Stop immigration").

The third wave is characterized as the period of Radical Right. The difference between radical and extreme right is their stance on democracy. The first supports it but rejects key values like the rule of law and minority rights, while the latter rejects it (and its core elements like majority voting) altogether (Mudde, 2010). In fact, populism was already associated with the parties of Radical Right from the 1980s. Many scholars (Beyme, 1988; Backer, 2004; Golder, 2016 Mudde, 2019) named this first emerging period of prominent populist parties like FPÖ, Front National (Ressemblence National, RN from 2018) and the Belgian Vlaams Belang as the "third wave of the Extreme Right". Even though RRPPs had emerged since then, they

were not considered mainstream for many years. In 1980s, when the first right-wing populist parties appeared in their countries and achieved the first surprising levels of electoral support, people were still convinced that they were "flash parties" and tended to underestimate their rise. Therefore, there were expectations that they would sooner or later be marginalized or even disappear from the party systems. However, the expectations did not meet the reality in this case. Not only were the RRPPs able to defend their position but they even expanded it. The phenomenon began to spread in other Western European countries and did not stop at the new post-communist democracies of Eastern Europe, were RRPPs are even more successful.

Nowadays, the financial crisis of 2008, the globalization and the Syrian refugee crisis inter alia have enabled right-wing populist and Eurosceptic political forces to rise, putting the democratic, liberal, and European values at stake. Even though there are left-wing and centrist populist parties (as we mentioned in the previous section), populism in Europe has been more frequently associated with radical right parties, not only for their electoral success (van Kessel 2015), but also for the relative marginality of the other types of populism (Font et al. 2019). Event though, right, and left-wing populist parties were similarly strong at a European level in 1998 (their European average was around 6%), nowadays, the situation is completely different and RRPPs are way more successful (in 2020 the European average of RRPPs was 16,4%, while the average of left-wing populists remained stable at around 6%). (Figure 2)

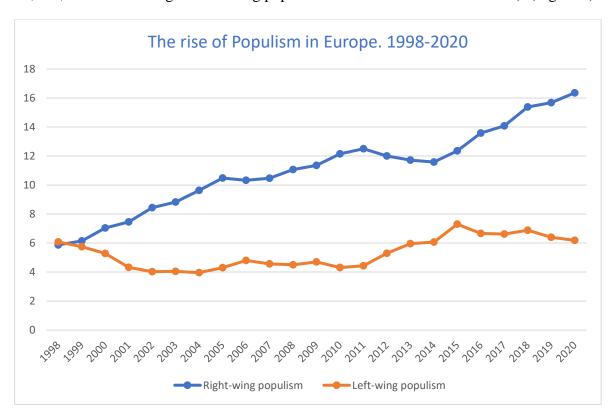


Figure 2 The rise of right-wing and left-wing populism in EU: 1998-2020: Source by author 2021

From Hungary, Poland, and Slovenia, to France, Italy and Scandinavian countries, the rise of RRPPs concerns Europe. In 2021, RRPPs are the ruling parties (Fidesz in Hungary, PiS in Poland, and Slovenian Democratic Party in Slovenia) or members of governing coalitions (United Patriots in Bulgaria, Lega in Italy, National Alliance and For a Humane Latvia in Latvia) in six EU member states, Norway (Progress Party, FrP), and Switzerland (Swiss People's Party, SVP). Two years ago, they were also members of governing coalitions in Austria, Slovakia, and Finland. The electoral failure of RWPs in a few member-states (like Portugal, Malta, and Ireland) is the exception other than the rule since their successes have extended to all levels of government in almost all EU countries (figure 3: also see table 15 in the appendix for the data of each country).

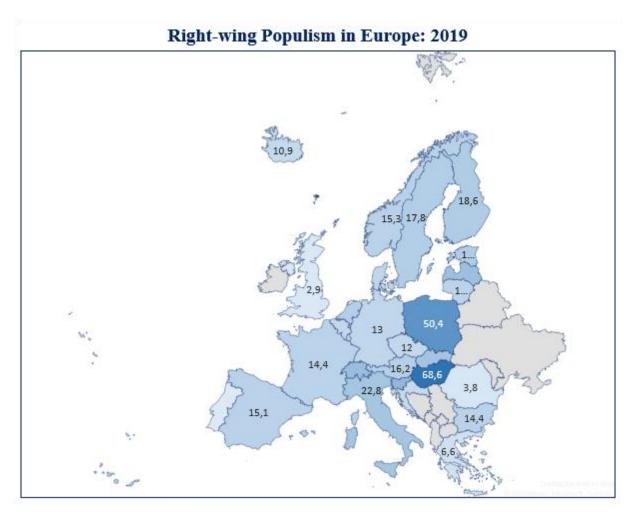


Figure 3 Right-Wing Populism in Europe (2019): Source by author 2021, Data from Timbro Authoritarian Populism Index

Even though, the electoral success is an important indicator of the normalization of RRPPs, it is not the only one. Mudde (2019) mentions that beyond the rise of RRPPs, the main difference between the "third" and the "fourth" wave of post-war radical right and is the

difference in the reactions towards their electoral successes. He points out that this difference is also one of the indicators that the RRPPs are normalized and have become mainstream. This difference is obvious in the following examples.

In 1999, after the Austrian national elections, a right-wing coalition government was formed by the conservative, Austrians' People Party (ÖVP) and the right-wing populist, Freedom Party of Austria (FPÖ). It was the first time ever in the history of the EU (and in the history of Post-World War II Europe), that a RRPP was part of a coalition of a member state's national government. The reaction of the rest of the Union was relentless. The fourteen other EU member states accused Austria of normalizing far right and authoritarianism and their governments decided to impose sanctions on the country, unless FPÖ was ruled out. Furthermore, there were huge demonstrations organized in Austria against the coalition government. Even though the sanctions were lifted, when it became clear that the FPÖ was not going to be excluded from government, this reaction shows how things have changed regarding RRP in the Union since 1999. Respectively, when Jan Marie Lepen, the leader of National Front came second in 2002 French Presidential Elections, gathering 16.9 % of the votes, the vast majority of French were shocked and outraged by this success.

Sometimes, history repeats itself and so, in 2017 Marie Lepen almost doubled her father's success in 2017 French Presidential Election, when she made it to the second round and gathered 33.9 % of the votes. One year later, FPÖ participated in a coalition government for a second time after achieving its second-best performance ever (26% of the votes). Neither the Austrians demonstrated (at least not to such an extent as in 1998) against FPÖ's second participation in a coalition government in 2018, nor the EU imposed sanctions on Austria for normalizing the radical right. Moreover, the French were not shocked with Lepen's electoral success (they were mostly relieved she did not win the presidency).

Twenty years ago, the participation of a RRPP in a cabinet was unacceptable, drew criticism and sanctions and stirred up demonstrations while today, it is a normality. According to Mudde (2019), this mainstreaming of radical right is due to three crises: the 9/11 terrorist attacks against US, the Global Financial Crisis of 2008, and the ongoing migration crisis that began in 2015.

The rise of right-wing populism is also apparent in the European Parliament, where two new political groups have been founded to promote the beliefs and attitudes of RRPPs: the

European Conservatives and Reformists (ECR) founded in 2009 and Identity and Democracy (ID) founded in 2014.

Firstly, ECR is the parliamentary group of ECR European political party, formerly known as the Alliance of Conservatives and Reformists in Europe and includes members of the European Parliament (MEPs) from four other European parties and thirteen MEPs without European party affiliations. It is a Eurosceptic and right-wing group which opposes the further enlargement and the transformation of EU into a federal state. Furthermore, ECR supports that the nation-states should play full role in the decision-making process, advocates free market policies and stricter controls on immigration. Except from right-wing populists, there are also Christian democrat, nationalist and conservative parties which are members of the ECR.

According to their website, their vision ("their policies aiming for euro-realist reform of the European Union") is to "create jobs and prosperity after the Covid-19 pandemic", to "safeguard the citizens and its borders", to "protect the environment" (but only at an affordable cost), to "improve the Union's efficiency and effectiveness" and to promote "cooperation with global partners". The last point from ECR's vision focuses on economic cooperation and the protection of religious freedom around the world, focusing on the protection of Christianity. ECR mention that while "Christians are a target of religious violence", the EU foreign policy "ignores this situation".

Nowadays, ECR is the sixth-largest group in the European Parliament with 63 MEPs from 15 countries (figure 4). The most important RRPPs in the group are Law and Justice (PiS), Brothers of Italy, New Flemish Alliance (Belgium), Sweden Democrats and Vox (Spain).

Secondly, ID (formerly known as Europe of Nations and Freedom, ENF) is an alliance of nationalist, Eurosceptic and RRPPs. The group is more radical and has been described as right-wing, far-right, nationalist, populist and Eurosceptic by political commentators and scholars. Its political party in EU Parliament is Identity and Democracy Party. Even though ID is self-characterized as sovereigntist instead of "anti-European" it rejects further enlargement and emphasizes the need to deeply reform the existing EU through "more transparency and accountability" at Brussels.

According to ID's Political Declaration (Statutes of the Identity and Democracy (ID) group in the European Parliament, 2019: 4) the group "advocates voluntary cooperation between sovereign European nations, and therefore rejects any further evolution toward a European superstate". Furthermore, they "acknowledge the Greek-Roman and Christian heritage as the pillars of European civilization" and they focus on the "safeguarding of the nations and citizens' sovereignty and identity". The group characterizes "the right to control, regulate and limit immigration" as a fundamental principle shared by its members and emphasizes in "their willingness to fight for a safer Europe with well protected external borders and a stronger cooperation to tackle terrorism and Islamisation". They also demand the end of negotiations on accession of Turkey to the EU. Finally, they "are strongly committed to the defense of the rule of law and individual freedom, with a particular emphasis on the protection of freedom of speech" and they "reject any past or present affiliation, connection or sympathy to any authoritarian or totalitarian project".

After, 2019 EU elections, ID has 70 MEPs, which makes it the fifth largest group in the Parliament and the most important RRPPs in the group are RN, Lega, and AfD (figure 4). UKIP was also a member of the group before Brexit.

Except from ECR and ID members, there are RRPPs which are non-inscrits (non-attached) and do not belong to any EU political group. The most prominent RRPPs in this category are Fidesz (former member of the European People's Party, EPP) and Jobbik (both Hungarian).

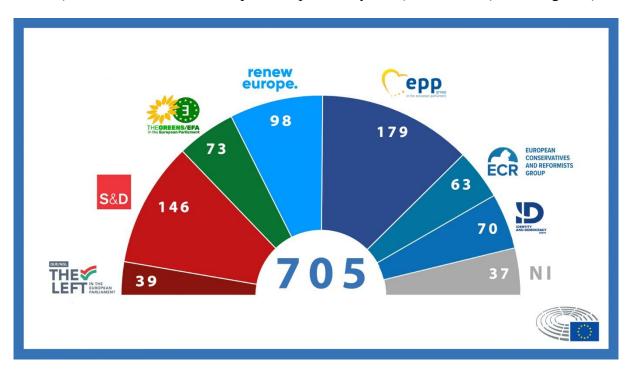


Figure 4 Seat distribution by political group in European Parliament (source: European Parliament, 2021)

Despite the small differences between ID and ECR, they generally have similar political positions and proposals. Thus, the analysis of their viewpoints in important issues like the

future of the EU could help us understand the viewpoints of the RRPPs. In general, both groups list their core priorities as protecting European cultural heritage and the sovereignty of European nations, increasing security, stopping illegal immigration, regulating legal immigration, fighting EU bureaucracy, and preventing what they describe as the potential Islamisation of Europe.

Except from their political positions and proposals, the viewpoints of RWP leaders and parties are also apparent in their rhetoric. A very characteristic example of the populist rhetoric is the following, that took place in May 2019, when two of the most well-known RWP leaders, the Hungarian Prime Minister Viktor Orban and the (then) US President Donald Trump met in Washington. The first small part of their common interview uploaded in YouTube by Financial Times encapsulates in only 57 seconds, some of the most characteristic aspects of a populist leader's rhetoric and a RRPP's ideology. The discussion is the following:

Reporter: Mr. President are you concerned about democratic backsliding in Hungary under this Prime Minister?

Trump: Well people have a lot of respect for this prime minister. He is a respected man. And I know he is a tough man, but he is a respected man. And he is doing the right thing according to many people, on immigration. And you look at some of the problems that they have in Europe that are tremendous, because they have done it a different way than the Prime Minister. But I will let him speak to that question. Mr. Prime Minister, please.

Orban: From the people, by the people, for the people. This is the basis for the Hungarian Government. So, it's a government which is elected by the Hungarian people several times, so we are happy to serve our nation.

Reporter: What about democratic reform sir?

Orban: We have a new constitution accepted in 2011 and it's functioning well.

Firstly, not only did Trump avoid answering the question regarding the 'democratic backsliding in Hungary', but he also changed the subject and focused on how much respect the "people" show to this "tough man". He used the term "respect" three times in a row, and he pointed out that the problems Europe is facing because of the refugee crisis are so big because 'they have done it in a different way than Orban'. Orban did not answer the question either. On the contrary, he used the famous phrase of Abraham Lincoln, 'from the people, by the people, for the people' and pointed out that this is the basis of the Hungarian government which was elected by the Hungarian 'people' and serves the 'nation'.

The central position of "people" in the populist rhetoric is obvious in both answers, since the two leaders use it 6 times in less than a minute. Furthermore, both disdain the importance of democratic backsliding in Hungary and therefore, they look like they do not care that much about Rule of Law, quality of governance and so on. Instead of answering, Trump accuses the European elites of not doing the "right thing" Orban did on migration (Euroscepticism, anti-elitism and anti-immigration are evident in this phrase), while Orban legitimizes every decision his government takes since it is the true and only representative of the people and the nation (the fact that the nation and the people are the same group is a core element of RWP: Hungarian government is neither the representative nor does it serve and 'protect' the Hungarian citizens but the 'homogenous' and 'pure' Hungarian 'nation').

#### 2.3.1 Theoretical approaches of Right-Wing Populism

As already mentioned, RRPPs started to achieve electoral successes in Europe during 1980s. However, two decades ago, their participation in a national government was raised disappointment and even protests and sanctions (as in the case of FPO which is mentioned above. The problem is that the last years and especially after the financial crisis of 2008 and the Refugee Crisis of 2015, there has not only been a boom in voter support for them but also to their normalization. The theories regarding RWP, RRPPs and their rise will help us understand both their electoral success and their normalization.

First of all, it is important to notice that even though RRPPs are examined as a whole in this thesis, they are not a fully homogeneous group of parties. For instance, some of them, like AFD (Havertz, 2019), FPO (Kiely, 2020; 13) and Pim Fortuyn List (Pauwels, 2010), are economically neoliberal while others, like Sweden Democrats (Norocel, 2016) and Danish People's Party (Careja et al., 2016) promote state interventionism but only in favor of the 'pure' and 'moral' group of nationals; the so-called welfare chauvinism (Derks, 2006; Mudde, 2007; De Koster et al., 2012; Keskinen et al., 2016).

The enemies (them) who pose a threat on the 'pure' and 'moral' nationals also vary. For instance, in Western Europe and the US, Muslim immigrants are among the most important enemies of the nation and the biggest threat against the cultural values for RRPPs (Betz, 2017; Hafez, 2014; Mudde, 2017). However, in Eastern Europe, the situation is a little bit different. In Hungary and Poland, the focus is not only on refugees but also on the Roma (Creţan & O'Brien, 2019; Kende & Krekó, 2020) who are the most 'emblematic' enemies in the region, the internationalist Left and those in favor of European integration.

Despite these differences, there are some key features all RRPPs share. Firstly, as in the case of all populist parties, they divide societies into two homogeneous and conflicting groups: the 'common people' and the 'corrupt elites' and they claim to be the only true defenders of common people's interests (anti-elitism). The main difference of Right-Wing Populism is that the homogeneity of the 'people' is not only based in morality but mainly to national or religious criteria like the nation, the European values, Christianity and so on. Furthermore, RWP is usually combined with opposition to globalization (Ding and Hlavac, 2017) and European integration (Jungar, 2018; Luo, 2017; Kriesi, 2020) and is characterized by anti-egalitarian (Jylhä & Hellmer, 2020).

Moreover, their ideology and rhetoric are characterized by social conservativism (Mudde 2007; Rydgren 2007; van Assche et al., 2018) and nationalism, combined with xenophobic and nativist stance, while all of them focus on two main and complementary goals. (Mudde 2007; Otjes et al., 2018). The first is the stopping or at least the minimization of the immigration flows from the developing world to the countries of the EU while the second is the re-establishment of ethnically homogeneous nation-states. Both these goals are characterized by a curbing resistance to multiculturalism and progressive viewpoints.

One of the main characteristics of RRPPs is anti-immigrant stance and xenophobic and nativist rhetoric. Their arguments against immigrants, refugees or "illegal immigrants" focus on the topics like the economic cost of immigration, the increase of crime rates and violence, the necessary enforcement of "law and order", the necessity for closed-borders policies and the risk of infections or diseases. Expect from those arguments, they mention that the immigrants pose a threat on national identity (occupation of the living space of the 'nation') and the mostly focus on Muslim immigrations and highlight the threat of 'Islamisation' and the erosion of the Western Culture. Even though, racial discrimination was always present in radical and extreme right rhetoric, the last decades the anti-immigrant and xenophobic stance has also introduced a cultural discrimination (Mudde & Kaltwasser, 2013). In fact, shifting from racial discrimination to a new type of discrimination based on cultural differences, has been one of the central ideological doctrines of Radical Right Populism in Europe since the mid-1980s, when it was first introduced by Front National in France (Taguieff, 1990). This difference in the discourse of the populist right in Europe is considered as the new vehicle of ideological and political hegemony in the area of the wider right. This doctrine argues that actors of different cultures should not mix with each other, considering that mixing is deadly to the "natural" differences of the cultures and thus, RRPPs appear to replace race with

culture. This new type of discrimination has been characterized as cultural racism (Taguieff, 1990; Powell, 2000)

Nativism (Mudde, 2012; Betz, 2017; Bergmann, 2020) is central in this doctrine since it is the ideology that is based on the belief that the nation-states should be exclusively inhabited by members of the indigenous group ("the nation" – "we"). On the contrary, the non-indigenous populations and their ideas are presented as enemies ("them") that fundamentally threaten the homogeneity of the nation-state. It aims at preserving or reviving and re-establishing indigenous cultural conditions, morals, and customs (inter alia) as a reaction to multiculturalism. Moreover, it focuses on protecting the interests of the indigenous peoples of a country and generally favors the indigenous populations at the expense of immigrants in every possible way.

Focusing on the hosting ideology as one the main classificatory features of RWP, the literature has identified in the exclusionary and inclusionary traits (Mudde & Kaltwasser 2012; Font et al. 2019) the most relevant distinction between the different types of populism. While LWP is usually inclusionary, RWP is characterized as exclusionary (Betz, 2001; Cornelis & Van Hiel, 2015), since it divides societies in two homogeneous and conflicting groups ('we' versus 'them') and focuses on excluding the nation's enemies (e.g., refugees, minorities) either from immigrating in their countries and the EU or from social benefits, human rights and equality in case the 'enemies' are already inside the state. In the first case (when enemies are outside the state), right-wing populists propose closed-border policies and the necessity to protect the 'external borders' (either the states' borders or those of the European Union). In the second case, one of the most characteristics examples of hostile and exclusionary rhetoric against enemies inside the state is Jaroslaw Kaczynski's, statement that his party's opponents are traitors to the Polish nation. After some members of the opposition asked EU to investigate his government's actions and antigovernment protestors demanded more 'democracy' in 2015, he mentioned that "In Poland, there is a horrible tradition of national treason, a habit of informing on Poland to foreign bodies. And that's what it is. As if it's in their genes, in the genes of Poles of the worst sort." (New York Times, 2015).

Except from the two powerful leaders of the two prevailing parties in Hungary and Poland, there are many other characteristic examples to prove the arguments analyzed above. In the US, former president Donald Trump banned people from seven countries (Iran, Iraq, Somalia, Libya, Sudan, Syria and Yemen) from visiting the US for 90 days in one of his first acts as US President. A decision which was characterized as a 'Muslim Ban' (Jamal, 2017; Maltz,

2018; Lajevardi, & Abrajano, 2019). Moreover, he decided to build a fence in US- Mexican borders. Moreover, one of the most threating moments of his governance period was when a group of his supporters attacked the Capitol on January 6<sup>th</sup>, 2021 (in the aftermath of Trump's loss in the US elections of November and two weeks before the inauguration of Joe Biden as the 46<sup>th</sup> president of the US).

As we mentioned in the previous chapter, the role of the 'enemies' is central in Populism. However, populists focus on the elites (and the establishment) as the main enemies of the 'pure people', while for right-wing populists, the nation-state has four categories of enemies (Mudde 2007). The first category refers to enemies within the state but outside the nation. This category includes refugees who already live inside the state and minorities. The second category includes enemies within the state and within the nation like the ideological opponents (liberals, social democrats etc.) or the "corrupt elites" that take advantage of the "pure people" and oppress them (e.g., ruling parties). The third category refers to enemies outside the state and outside the nation. This is possibly the biggest category of enemies, since it includes immigrants and refugees, foreign institutions, supranational organizations like the European Union or other nation-states. The last category of enemies includes those who are outside the state but within the nation.

In right-wing populism, the enemy is presented as an extreme form of a more common differentiation between the intragroup (we) and the extragroup (them). As such, the enemies (and the prejudices against them) perform different functions when RWPs scapegoat the (by definition negative and threating) extragroup. In this way, the enemies offer a vaguely defined indigenousness to the right-wing populists.

Conclusively, from Trump and Bolsonaro to Orban, Lepen, and Salvini, all RRPPs and their leaders, share some core elements that are central in their ideology, despite the fact that there are some differences between them. As already mentioned, not all of them have (exactly) the same enemies and there are parties which share more characteristics, like neoliberalism, anti-Semitism, and anti-globalization. However, if there is a 'minimum definition' of RRPPs' ideology, then it combines populism, nativism, and authoritarianism (Mudde 2007, 2012; Rooduijn, 2014).

#### 2.3.2 The Supply and the Demand side of RWP

Another key concept regarding RWP focuses on the supply and the demand side of RRPPs. Golden (2016) focused on modernization, economy, and culture as they main factors that

drive the demand-side of radical right voters, while he focused on the political opportunity, the party organization, and the winning ideology as the most important components of the supply-side of the parties.

In general, the rhetoric of RRPPs and their stance on issues like immigration, globalization, economy and culture is combined with the supply and the demand side of RWP. The law of supply and demand is used in economics, in order to describe the interactions between the sellers and the buyers of a product or a service. A simplistic definition of the law of demand explains that the more expensive the economic goods are, the less the buyers will 'demand' and vice versa. Accordingly, the law of supply says that if the goods are more expensive, the sellers will 'supply' more (because the profit margin is bigger). The interaction between the two laws creates an equilibrium, that determines the market prices and the volume of traded goods. However, there are several other factors which affect both the supply and the demand side, and thus, prices and quantity fluctuate over time.

In politics, the supply – side refers to what the political parties 'offer' in order to convince citizens to vote for them and how they take advantage of certain events in order to promote their agenda. In general, supply-side focuses on the policy proposals, the ideology, and the rhetoric of RRPPs by examining their reactions in specific issues. Accordingly, the demand – side is related to the demands of the citizens and focuses on what they expect from politicians and political parties, and which are the reasons why they would vote for them. Therefore, this interaction creates an equilibrium which determines the rhetoric of the parties, the decisions of the voters and the political agenda (inter alia). These elements are interdependent, and they conclusively determine the electoral results.

A characteristic example of the interaction between the two laws in politics is the rise of RRPPs in the 21<sup>st</sup> century. A simplistic juxtaposition of the two laws would only include the 'demand' of some citizens for different reactions from mainstream political parties (the status quo, 'them') regarding specific policy areas (e.g., immigration), while RRPPs would supply them with what they want to hear (e.g., stricter laws on immigration and closed borders policies). However, this interaction includes many more parameters. The demand side encapsulates the political distrust of some citizens because of their dissatisfaction with their governments and EU's response, decisions and actions on certain events, the traditionalists' fear for the deprivation of cultural values, the low levels of trust (as a result of political corruption) and not only their 'demand' for closed-borders policies and stricter immigration laws which stems from their belief that such decisions would solve their problems.

The supply-side is multi-dimensional as well. On the one hand, it refers to the policy proposals of the political parties. Since RRPPs are characterized by anti-immigration and nativism and they proposed very strict restrictions in immigrant flows (in some cases like in Hungary they also built a wall) they 'supplied' the citizens (those who felt 'betrayed' by the 'status quo' and expected different reactions) with more reasons to vote for them. On the other, they further radicalized their viewpoints and their policy proposals to convince as many dissatisfied citizens as possible. Moreover, they blamed the established parties and EU institutions for their decisions in order to create a hostile environment which opposes the status quo ('the establishment') and the 'pure nation' (us) which was affected by their decisions.

The profile of RRPPs' voters is another very important concept on the analysis of RWP and many scholars have tried to identify the main characteristics of RRPPs' electorate (Gómez-Reino, & Llamazares, 2013; Spierings & Zaslove, 2017). Even though there is not an "all-inclusive" definition of RRPPs' voters, there are some characteristics they often share. Many scholars, mention that the voters of the RRPPs are mostly men with low income (or unemployed) and education who share anti-European and anti-migration sentiments. According to Mudde (2016: 299) this definition is summed-up as the "loser-of-globalization thesis". However, there are certain exceptions. Mudde mentions that people who share those characteristics (he characterizes them as "white, blue-collar males") are a small part of RRPPs' electorate and he adds that anti-immigration is what really unites them and their stance on issues like 'crime, corruption and European integration'.

This viewpoint is also evident on country-based analyses. For instance, in Germany, Hansen and Olsen (2019) characterize the AFD voters as "flesh of the same flesh" mentioning that they do not differ from the voters of the other parties when it comes to characteristics like education, income, place of residence etc. They mention that their main difference is the antimigration sentiment and the dissatisfaction with democracy and mainstream political parties.

Roodujin (2018), mentions that even-though lower socio-economic positions sometimes have a positive effect in populist voting, they are not always the case, and he focuses on antimigration and political distrust as the two key characteristics of RRPPs' voters. Inglehart and Norris (2017) also agree that the majority of RRPPs' voters share the same views on immigration, but they also focus on the cultural backlash thesis which explains the rise of RWP as a reaction of the traditionalists to the cultural change of the societies. They characterize this cultural change as a consequence of immigration, globalization and more

progressive viewpoints regarding gender equality, human rights, societies' openness and so on. Furthermore, they focus on political distrust to the established parties and the status quo as a whole as a critical component of voting for RRPPs. Finally, political distrust is another common denominator of the rise of Populism since citizens who do not trust political parties and institution are prone to voting populists in general.

#### 2.3.3 Consequences of the Rise of Right-Wing Populism

The last section of this chapter focuses on the consequences of the rise of RWP in order to find out if RRPPs pose a threat to the liberal and democratic values and to what extent. According to Mudde and Kaltwasser (2012) the impact of populism (and thus, the consequences of the rise of RWP) is bigger when populist parties seize power and smaller when they are in opposition. This impact is also bigger in weak democracies. Thus, the performance of 4 countries were RRPPs are very successful is examined in 3 critical elements of liberal democracy in order to find out which are the most important consequences of the rise of RWP. These pillars of (liberal) democracy are Rule of Law (index of World Justice Project: WJP), Press Freedom (index of Reporters Without Borders: RSF) and Human Freedom (index of Cato institute). To draw valuable conclusions about the whole of EU, I am using two Western (Italy and Norway) and two Eastern (Poland and Hungary) member-states. In Norway, Progress Party (FrP) is in opposition after 2021 elections, but it was a member of the governing coalition from 2013 to 2020 and therefore it is also included since the analysis focuses on 2020.

WJP defines Rule of Law as a system that follows four universal principles. According to these principles, the government, the ministers, and the state officials are all accountable to the law. Laws must be made public, clear, and universally implemented and they have to protect fundamental human rights, including equality before the law, safety of the people and the right to property. The process by which laws are enacted and enforced is accessible, fair, and effective. Finally, justice is dispensed in a timely manner by competent, moral, and independent representatives, who have sufficient resources and reflect the community they serve. In general, ROL is related to the separation of powers and the existence of a constitution which enshrines individual and human rights and protects the individuals by limiting and balancing the powers of the executive, the judicial and the legislative. Thus, ROL is one of the cornerstones of democracy and states' performance this index highlights the quality of democracy and the protection of human rights.

According to RSF, press freedom index reflects the degree of freedom enjoyed by journalists, news agencies, and Internet users in each country, alongside the efforts made by the authorities to respect and ensure that freedom. It is another important indicator since it encapsulates governmental efforts to censor and control media for their own benefit. Finally, according to Cato institute, "Human Freedom Index presents the state of human freedom in the countries and is based on a broad measure that encompasses personal (e.g., identity and relationships), civil (e.g., religious freedom and freedom of expression and information) and economic freedoms (e.g., legal system and property rights)".

Country	Index	Score and ranking
Hungary	Rule of Law (WJP)	0.52 (69 <sup>th</sup> )
	Press Freedom (RSF)	31.76 (92 <sup>nd</sup> )
	Human Freedom Index (Cato)	7.61 (49 <sup>th</sup> )
Poland	Rule of Law (WJP)	0.64 (36 <sup>th</sup> )
	Press Freedom (RSF)	28.84 (64 <sup>th</sup> )
	Human Freedom Index (Cato)	7.72 (45 <sup>th</sup> )
Italy	Rule of Law (WJP)	0.66 (34 <sup>th</sup> )
	Press Freedom (RSF)	23.39 (41st)
	Human Freedom Index (Cato)	8.12 (31 <sup>st</sup> )
Norway	Rule of Law (WJP)	0.90 (2 <sup>nd</sup> )
	Press Freedom (RSF)	6.72 (1 <sup>st</sup> )
	Human Freedom Index (Cato)	8.45 (15 <sup>th</sup> )

Table 1 The performance of 4 countries where RRPPs are in power in Rule of Law, Press Freedom and Human Freedom

According to the data, the performance of the countries varies. On the one hand, Poland and Hungary are two of the worst performers in the EU in all three categories (Hungary is the 2<sup>nd</sup> worst performer in Press freedom and Human Freedom and the worst in Rule of Law) while Italy is a below-average performer. On the contrary, Norway is one of the best countries in the world in all three categories. From this brief analysis, we conclude that the consequences of the rise of RWP on the liberal, democratic values vary and depend on two, important factors. The first is if the RRPP is the ruling party or if it is a member of a governing coalition and the second has to do with the strength of the democracy and its institutions. It is noticed that the

consequences of the rise in Hungary and Poland, which are (relatively) new democracies (post-communist) governed by very strong political parties (Fidesz and PiS respectively) are way more obvious than in Italy (where Lega is a member of Draghi's national unity government, having three ministers in the cabinet) and especially Norway which is a strong, stable, and old Democracy (and FrP was part of a governing coalition).

Focusing on Hungary and Poland, we notice that both countries face serious problems regarding human rights violations, censorship, violations of rule of law and discrimination. In January 2020, Poland voted for a new law which imposes restrictions on judiciary (Polish rule-of-law crisis in 2015 was also very serious) while in Hungary the independence of the judiciary is continuously undermined during the last decade. Regarding immigration, both countries propose closed-border policies, and both the ruling parties are characterized by xenophobic anti-immigrant stance. According to the 2020 Report on Human Rights Practices in Poland from the U.S. State Department, the most important violations of human rights include violence against lgbt community and ethnic minorities. Moreover, there are laws which violate freedom of expression in case a speech insults national symbols of Poland, the President or religion.

In Hungary, the situation is even worse since there were serious problems regarding the judiciary, the freedom of expression, the civil liberties, the academic freedom, discrimination and so on. Moreover, the 'Act XII of 2020 on the Containment of Coronavirus' is a direct attack on democracy and rule of law and it is characterized as "one of the most draconian introductions of emergency powers in Europe" (Thomson and Ip, 2020: 22). Despite the international outcry, the Hungarian Parliament enacted this decision as a measure focusing on preventing and eliminating the pandemic consequences. This act allowed the government to suspend the existing legislation and to implement 'emergency' measures even if they violate Rule of Law and human rights. Even though this decision was enacted as an emergency measure for the pandemic period, the fact that there is no sunset clause (e.g., until 2022 or until the end of the pandemic) makes this decision even more threating for the Hungarian democracy.

However, the rise of RWP does not only affect countries where RRPPs rule. In 2017, in his annual report on the state of democracy, human rights and rule of law, the former Secretary General of the Council of Europe, Thorbjørn Jagland expressed his concerns about the unfree transition of modern European democracies. In his introductory remarks, he raises the issue of the resilience of modern European democracies in the rise of populism and its consequences.

Especially in immigration, it is common for mainstream parties to shift to anti-immigrant rhetoric after electoral successes of RRPPs. This ideological shift of mainstream parties to the right while aiming at electoral gains is described as a 'contagion effect' (Rooduijn et al. 2014). Accordingly, Westin (2003: 123) mentions that "when protest parties such as the VB and FN receive a considerable share of the vote, the gravitational center of public opinion is shifted significantly to the right."

Conclusively, the consequences of the rise of RWP are way more serious in countries where RRPPs rule. However, even when they do not win elections, their rise, and their normalization (Akkerman et al., 2016; Mudde, 2019) shift the gravitational center of public opinion to the right and thus, many voters move away from center-right or center-left mainstream parties (which are accused of being parts of the 'corrupt elites'). These developments shift the political positions of mainstream parties towards extremes, and consequently the rise of RWP influences public policy-making process (Bale, et al. 2009, Ford & Goodwin 2014, Hooghe & Marks 2017). In fact, Inglehart and Norris (2016) argue that populist parties do not have to win many votes to exercise substantial influence. For instance, UK Independence Party only won one seat in the general elections in May 2015. Nevertheless, its populist rhetoric fueled Euroscepticism and anti-immigrant sentiments in the UK, 'forcing' conservatives to call the United Kingdom European Union membership referendum (Brexit referendum).

# 3. Data, Operationalization and Methods

#### 3.1 Introduction to the Methodology

This chapter presents the methodology of this thesis which focuses on the reasons of the rise of right-wing populism in EU. The first section focuses on the theoretical presentation of the empirical model, sets the general expectations of the empirical analysis and presents the research questions of this thesis and the main factors I am going to investigate (economic crisis, refugee crisis, corruption and globalization), analyzes the reasons why they are chosen and sets the expectations for the empirical analysis regarding each one of them. It also explains the possible problems that may arise. The second section presents the empirical literature review and focuses on two empirical analyses of RWP in order to investigate how the researchers approached this phenomenon, which variables they used, and which were the most important findings of their analyses. The third section focuses on the theory of the regression diagnostics which are going to be tested in the next chapter and explains terms like stationarity, cross-sectional dependency, heteroskedasticity and so on. The final section presents the theoretical framework of the panel data analysis, the three methods of this analysis (Pooled OLS, fixed effects and random effects) and the way to choose the proper method.

#### 3.2 Theoretical presentation of the model

The purpose of this thesis is the analysis of the rise of RWP in the EU and the evaluation of some possible reasons why it happened. It also focuses on the differences of this rise between the Western and the Eastern regions of the Union. As already mentioned in the previous chapter the rise of RWP is explained by multiple reasons, be it political, cultural, or economic. Thus, a possible functional (F) equation of Right-wing Populism is the following:

$$Y = f(X, Z, C)$$

# Equation 1 F Equation of RWP

In this equation, Y stand for Right-Wing populism, X stands for the economic factors (e.g., unemployment and inequality) that fueled its rise, Z stands for the political factors (e.g., political distrust and Euroscepticism) and C stands for the cultural reasons of RWP rise (e.g., immigration, Islamophobia, and societies' openness).

However, the rise of RWP is a multidimensional phenomenon which is explained by many factors, and events. Therefore, it is impossible to perform an econometric analysis which

includes every single reason of the rise. Furthermore, I am not focusing on the rise of RWP in a specific country but in the EU as a whole. In this case, an analysis focusing on the role of a minority (e.g., Roma) in the rise of RWP at a European level is meaningless, since it is a country-focusing reason of the rise (e.g., it would make sense if I would focus on the rise of RWP in Hungary). Thus, I should focus on factors which affected both the member-states and the Union (as a supranational institution), fueled disappointment and insecurity among the citizens and provided 'fertile ground' for right-wing populists.

Considering the purpose of the analysis and the mentioned restrictions, this thesis focuses on the role of two major events: the Global Economic Crisis of 2008 and the Refugee Crisis of 2015. The role of these crises is investigated since they were two of the most important events of the 21<sup>st</sup> century with multiple political, cultural, and economic consequences. On the one hand, the Global Economic Crisis of 2008 was the worst economic and financial crisis since the Great Recession of 1929 and is considered the second worst recession of all time (Capello et al, 2015: 951). On the other, the Refugee Crisis of 2015 (when more than a million migrants and refugees crossed into Europe) was the biggest refugee crisis Europe faced since WWII (Modebadze, 2019).

However, the rise of RWP is a multidimensional phenomenon which is due to many reasons. Therefore, the analysis of its rise only in the context of the two crises would be a mistake since they are not the only factors that fueled the electoral success of RRPPs the last 15 years. Such reasons are the rampant globalization (and its negative consequences), the quality of governance, the distrust to the political status quo (political "elites"), the structural problems of the EU (that fueled Euroscepticism) and so on.

Thus, I am also going to investigate the effect of two more reasons: globalization and corruption. Globalization is a social change linked to the growing interdependence between societies, economies, cultures and populations. This change has raised controversy about its positive and negative consequences while some scholars mention that it is an important reason of the rise of RWP (Swank & Betz, 2018; Rodrik, 2020). Corruption is also used since it generally fuels citizens' dissatisfaction and political distrust. According to the factors I am investigating, the extended equation of my analysis is the following:

$$Y = a + \beta X + \gamma Z + \delta C + \epsilon G + u$$

In this equation the entities are explained as such:

- ➤ Y stands for Right wing populism
- $\triangleright$  a is the constant which stands for unobserved factors that contribute to the rise of RWP
- $\triangleright$  X stands for economic factors (economic crisis) and  $\beta$  is their coefficient
- $\triangleright$  Z stands for refugee flows (refugee crisis) and  $\gamma$  is their coefficient
- $\triangleright$  C stands for corruption and  $\delta$  is the coefficient
- $\triangleright$  G stands for globalization and  $\epsilon$  is the coefficient
- > u is the error term

# Table 2: Entities of the Extended Equation of RWP

The second part of my methodology focuses on the comparison of the rise of RWP between the Western and the Eastern regions of EU. In order to do so, I am going to examine the effect of the investigated factors on the rise of RWP in each region. Concurrently, this comparison will also indicate if the rhetoric and the policy proposals of the RRPPs were more successful and convincing in the West or in the East. The two main research questions which arise from the goals and the prospects of my methodology are the following:

- 1. If and to what extent did the economic and the refugee crises fueled the electoral success of RRPPs and the rise of right-wing populism.
- 2. Which are the main differences between the Western and the Eastern regions of the EU, regarding the rise of RWP?

Furthermore, the investigation of the effect of other possible reasons like corruption and globalization makes it necessary to set one more research question:

3. If and to what extent did corruption and globalization fuel the rise of RWP

The methodology aims to focus both on the demand and the supply-side of the rise. On the one hand it is based on the analysis of the effects of certain events and factors that fueled the citizens' dissatisfaction towards the established, mainstream parties (the "corrupt elites") and accordingly, the electoral success of RRPPs. This part of the analysis mainly indicates which

were the demands of the citizens from mainstream political parties and what kind of response they expected (e.g., How should the political parties and the EU react to 2015 refugee crisis according to the expectations and the "demands" of (some) citizens?). In general, demandside is based on what the citizens 'want' and thus, if the dependent variables I am using did fuel the rise of RRPPs, it is proven that more citizens expected different measures and reactions from the established political parties and their dissatisfaction was translated into voting for RRPPs.

On the other hand, supply-side is mainly about the rhetoric, the policy proposals, the response and the actions of politicians and political parties; it focuses on what the parties 'offer' and how they react (e.g., Which are the policy proposals and the reaction of the parties to the refugee crisis?). As already mentioned, the RRPPs' rhetoric focuses on anti-migration, anti-globalization, Euroscepticism and so on. Furthermore, they accuse the "corrupt elites" and the "establishment" (mainstream parties, supranational institutions like EU and so on) of taking the wrong measures to help their countries and EU as a whole to pull through crises. Accordingly, their policy proposals focus on closed (European) borders, preservation of the sovereignty of nation-states and objection to the further enlargement of the EU (and its federalization), protection of the cultural and religious values of Europe and sometimes they promise to "create jobs and prosperity" (vision of the European Conservatives and Reformists). Thus, the effect of the selected reasons to the rise of RWP will show if the "supply-side" of RRPPs was effective and to what extent since it indicates if the citizens were convinced by RRPPs' rhetoric and the effectiveness of their policy proposals.

Conclusively, the selected methodology also investigates three main theses regarding the reasons of the rise; the globalization backlash thesis (Broz et al, 2021; Mansfield et al, 2021) which proposes the 'left-behinds' of globalization as the vast majority of RRPPs electorate, the 'economic inequality perspective' (Adler & Ansell, 2020) which focuses on unemployment, and inequality (inter alia) combined with anti-immigration attitudes as the main reasons for populist voting and the 'cultural attitudes indicators' (Daenekindt et al, 2017) which focus on the cultural motives of the voters (of the 'traditionalists' who share authoritarian views, do not trust the mainstream parties and are afraid of losing the national identity and their culture) as the main reasons for the support to RRPPs.

#### 3.2.1 The rise of Right-wing Populism in Europe

In general, the rise of RWP in the 21<sup>st</sup> century is prominent across EU since there are successful RRPPs in both regions of the Union. Among the most characteristic examples of the electoral success of RRPPs in Western Europe, is the victory of the Italian Lega Nord (LN) in the 2019 European Elections (34.26% of the votes), the near victory of the Freiheitliche Partei Österreichs (FPÖ) in 2016 Austrian Presidential Elections (35.1% of the votes in the First Round and 46.2 % in the Second), the victory of the pro Brexit United Kingdom Independence Party (UKIP) in the 2014 European elections, the increasing success of Marine Le Pen's Front National (FN), which won the popular vote in the first round of the French regional elections in 2015 while Le Pen came second in 2017 French Presidential Elections and the rise of the Alternative für Deutschland (AfD) party, which came third in 2016 Regional Elections and 2017 Federal Elections gathering 12.6% of the popular vote and became the first radical right party entering Bundestag (German Parliament) since 1948.

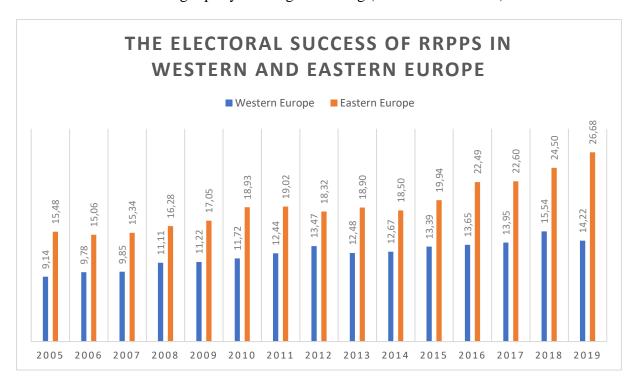


Figure 5 Comparison of the electoral success of RRPPs in Western and Eastern Europe. Source by author, 2021: Data from Timbro Authoritarian Populism Index

In eastern Europe the RRPPs are even more successful (figure 5). The more characteristic examples of RWP's rise in Eastern Europe are Fidesz and PiS, the ruling parties of Hungary and Poland respectively, which are the most successful RRPPs in the whole of EU. Except from Hungary and Poland, the rise of RWP is prominent across Eastern Europe. Other characteristics examples are the victory of the Slovenian Democratic Party in 2018 Slovenian

national elections (24.9%), the third place of Conservative People's Party in Estonia (17.8%) in 2019 national elections, and the second place of PCL (For a Humane Latvia) in 2018 elections (14.33%).

Fidesz was formed as a liberal, anti-communist movement in 1988 but started shifting to conservativism after 1994 elections and adopted nationalism in early 2000s. Nowadays, it is characterized as a radical right populist party, with anti-immigrant and nativist stance, while Viktor Orban and other members of the party have described their model of government as a Christian illiberal democracy. Fidesz won the elections for the first time in 1998 and from 2010 onwards is the ruling party in Hungary. In the last Hungarian national elections in 2018, Fidesz won 49.27% of the votes, while in the EU elections of 2019, it won 52.56%. In European Parliament, Fidesz was a member of European People's Party and now it is one of the non-inscrits.

Law and Justice (PiS) is a national-conservative, Christian democratic and right-wing populist political party in Poland, founded in 2001 by the Kaczynski twins, Jaroslav, and Lech as a centrist and Christian democratic party. PiS is characterized as a Eurosceptic, nationalist party, with anti-immigrant stance. Furthermore, the role of religion is central in PiS agenda and the party opposes abortion (anti-abortion law) and lgbt rights. PiS won the 2005 election for the first time, while Lech Kaczynski won the presidency. From 2015 onwards, PIS is the strongest political party in Poland. The party won the 2015 parliamentary election, with an outright majority - something no Polish party had done since the fall of communism. In 2019 Sejm (parliament) elections PiS won 43.6% of the votes, while in the 2019 EU elections, it won 45.38%. PiS is a member of European Conservatives and Reformists in the European Parliament (25 of the 63 MEPs of ECR come from PiS).

# 3.2.2 Economic Crisis

The period before the Global Economic Crisis of 2008 (or Great Recession) was characterized by the highest economic growth the last 40 years and optimism was particularly obvious in the financial sector (O'Neill, 2011). Therefore, the first signs of decline and recession, resulted in a domino effect of events with devastating consequences to the global economy. (Goldstein & Assaf, 2013).

In general, the Global Economic Crisis of 2008 is considered the worst economic and financial crisis since the Great Depression of 1929 and the second worst recession of all time. It came from the collapse of the United States real estate market in the wake of the 2007

financial crisis and 2008 mortgage crisis. According to the National Bureau of Economic Research (NBER), the recession in the US lasted from December 2007 to June 2009 (Jagannathan et al, 2009) and resulted in a lack of valuable resources and the collapse of the global financial system.

In Europe, the so-called Eurozone crisis or European debt crisis affected the countries of the Eurozone since early 2009, when a group of 10 Central and Eastern European banks asked for a rescue package. At that time, the European Commission released a forecast of a 1.8% decline in EU economic output for 2009. Conclusively, many countries received rescue packages from the decision group which was formed by the European Commission (EC), the European Central Bank (ECB) and the International Monetary Fund (IMF). Austerity measures were also implemented in many European countries which had to reduce their budget deficits which were reflected as percentages of GDP, from 2010 to 2011. According to the CIA World Factbook (2019), many European countries (like France, Ireland, Portugal, Spain, and Greece) reduced their budget deficits in this period. Moreover, the unemployment rates in Spain, Greece, Italy, Ireland, Portugal, and the United Kingdom rose. France did not see significant changes, while in Germany and Iceland unemployment rates fell. Eurostat reported that the unemployment average in the Eurozone rose at its highest levels in September 2012 at 11.6% (from 10.3% in 2011).

The years before the crisis, European Union was considered as one of most powerful economies in the World. As Andrew Moravcsik explained, "the most persistent and powerful source of European integration over the past four decades has been economic, in particular commercial interest rather than realization of federalist ideas" (Moravcsik,1998, p.473). EU is still one of the largest economies in the world (and it also was during the years of the crisis), the biggest exporter and importer, the leading investor and recipient of foreign investment and the biggest aid donor. However, the Global Economic Crisis raised important questions about the EU's ability to respond effectively and in a timely manner in such crises. It also questioned the contribution and the capacity of the social dimension of the Union to tackle the effects of the Crisis. The well-known statement by Mario Draghi, the (then) President of the European Central Bank, in the Wall Street Journal in 2012 about the death of the European Social Model is very characteristic. The Crisis also refuted the expectations of those who had invested in promoting the social dimension as an autonomous and important pillar in the process of European integration and undermined the very important developments towards a strong and unified Europe that took place from the early 1990s until the onset of the crisis.

Conclusively, the Global Economic Crisis had multiple consequences (not only economic but also political and social), raised doubts regarding EU's capacity and fueled Euroscepticism, anti-globalization sentiments and populism. Regarding the role of Economic Crisis on the rise of RWP in Europe, the economic inequality theory and the globalization backlash thesis pinpoint its important role since they mention that the voters of RRPPs are the 'left-behinds' who either lost their jobs or they saw a reduction on their earnings. Actually, on the onset of the Crisis, in 2007, RRPPs' average was 9,85% in the Western Europe and 15,34% in the Eastern Europe. Three years later, in 2010 it had increased by 2% in both regions (11,72% in the West and 18,93 % in the East) (Figure 5).

However, many scholars argue that the Economic Crisis mostly fueled the rise of Left-Wing Populism. This hypothesis is obvious in Southern Europe and especially in countries which were severely affected by the Crisis, like Greece and Spain. In Greece the LWP Syriza came second in 2012 elections (from 4,13% in 2009 Syriza won 26,89% in the runoff elections of this year) and won the 2015 elections (36,34% in the first elections and 35,46% in the runoff of the same year). Accordingly, in Spain the newly found LWPP Podemos won 8% in 2014 European elections and 20,7% in the national elections of the same year. However, in the rest of Europe, left-wing populists did not achieve significant electoral successes.

In general, Economic Crisis is expected to affect the rise of RWP not only because of its devastating economic consequences but also, because it had multiple political consequences. Economic Crisis fueled political distrust and Euroscepticism both in the countries affected from the Crisis and those that were not. Moreover, it provided fertile ground for the anti-immigration sentiments of the 'left-behinds' during the Refugee Crisis that followed. This happened because immigrants were presented as a threat, since they would try to find a job and they would receive public benefits in a Union which was still affected by the consequences of the Economic Crisis. Therefore, the developed hypotheses are the following:

H0: Economic crisis did not affect the rise of RWP

H1: Economic crisis had a strong positive effect on the rise of RWP

#### 3.2.3 Refugee Crisis

The Syrian refugee crisis came after the 2010-2011 Arab Spring, a period of anti-government protests in the Arab World. At that time, the citizens of Tunisia, Egypt, Libya, Syria, Bahrain, and Yemen were protesting local governments as a response to corruption and economic

stagnation. In Syria, the army intervened in March 2011, in order to prevent the overthrow of the government, and a civil war between the Syrian army and armed forces of the protesters broke out. Due to the civil conflicts, the first refugees left Syria in mid-2011, when a group of 10,000-15,000 people settled in Turkey. In the following months 5,000 of them returned to Syria, while the rest followed migrant routes to other destinations. However, in the following years, the civil conflicts, the action of Islamic State of Iraq and Syria (ISIS) and the retention of President Assad in power led to a sharp increase of refugee flows (Denselow, 2018; Yazgan et al., 2015).

In the aftermath of Syrian Civil War, Europe faced the biggest refugee crisis since WWII. European refugee Crisis (or migrant crisis) refers to the increased movement of migrants and refugees in Europe during the 2010s. The European Refugee Crisis' sharp peak was in 2015 and 2016 (figure 6), when an increasing number of refugees and migrants came to EU through the Mediterranean Sea and Southeastern Europe, in order to seek asylum in Central and Northern European countries.

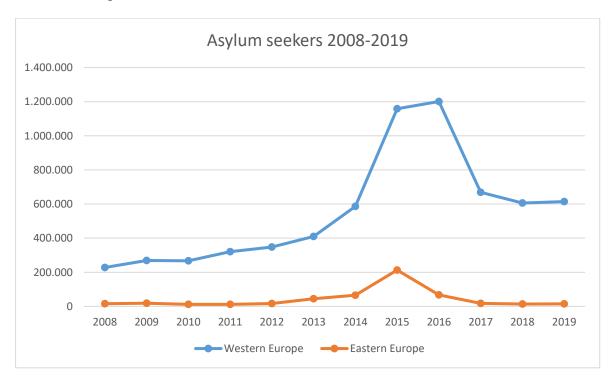


Figure 6 Asylum seekers in the EU 2008 - 2019: Western and Eastern Europe's average. Source by author (Data from Eurostat)

Even though refugee crisis was considered as solely Syrian, this is not true. More specifically, due to the expansion of ISIS activities in Iraq, Kurds and Iraqis were forced to emigrate to Europe as well (Phillips, 2014). Therefore, the general destabilization of Middle East led to a wider refugee crisis. According to the UN High Commissioner for Refugees (UNHCR), the

top three refugee nationalities, with over one million arrivals via the Mediterranean Sea in 2015, were Syrians (49%), Afghans (21%) and Iraqis (8%). Except from Middle East, asylum seekers came from areas such as Western and South Asia and Africa.

European refugee crisis had multiple consequences and is considered one of the main reasons for the rise of right-wing populism in EU in the 21<sup>st</sup> century. Firstly, it was a completely different refugee crisis than other migrant flows in the past (e.g., the one that followed the Balkans Civil War after the dissolution of Yugoslavia), because the refugees even moved to countries that had never experienced significant migratory flows since then. In fact, the Eastern European countries were mostly migrant sending and not migrant hosting countries.

Secondly, it took place right after the Global Economic Crisis of 2008 and thus, it should not be examined without considering the consequences of this event. Especially during the first period of the refugee crisis when many European countries were still experiencing the consequences of the Global Economic Crisis of 2008, the public perceptions had largely been shaped by the experience of the economic crisis (Kosho, 2016) and consequently, the refugees were considered a threat because they would look for jobs. The social welfare systems of the European countries, also had to deal with the effects of the economic crisis on the domestic population (higher unemployment, lower wages, and less opportunities) and the consequences of the refugee crisis at the same time.

Thirdly, the refugee crisis fueled Euroscepticism in terms of European identity. According to Taylor (2007), Euroscepticism is mainly related to "whom" can be considered European and "to what extent". The eastern enlargement of the EU (2004) and the accession of the post-communist states had already fueled Euroscepticism in the past decade. The refugee crisis led to a further questioning of European identity, as EU citizens now had to accept populations who were not born within EU's borders (Harteveld et al., 2018). In fact, some scholars mention that refugee crisis fueled Euroscepticism in Britain (Gietel-Basten, 2016) which consequently led to Brexit.

As we mentioned above, many scholars agree that the Refugee Crisis is one of the main reasons, not only for the electoral success of RRPPs, but also for their normalization. Furthermore, it played an important role to the shifting of public opinion to more extreme viewpoints and influenced the agenda of mainstream political parties. In general, the Refugee Crisis and its consequences are central in the three theories of the demand-side of RWP mentioned above (the economic inequality perspective; the globalization backlash thesis and

the 'cultural attitudes' of the rise of RWP). At the same time, it is also central in the supply-side of RRPPs which is characterized by xenophobic rhetoric, anti-immigrant stance and nativism. Right-wing populists tried to capitalize on the enormous impact of the refugee crisis on the public opinion across Europe in order to achieve electoral success. An important parameter of the Refugee Crisis of 2015 is the origin of the vast majority of the immigrants. After the 9/11, Islamophobia was fueled in the western world and Muslims were confronted with distrust and fear. Mudde (2016: 25) mentioned that "the threat of terrorism and anxiety about a massive wave of immigrants from the Muslim world created a perfect storm for populists, especially enhancing the standing of right-wing populists in many countries".

This impact is highlighted in 2015 Autumn Eurobarometer when migration was considered as the most important issue EU was facing, while terrorism came second, and economic situation of the countries and unemployment were the third and fourth most important issues respectively (figure 7).

# What do you think are the most important issues facing the EU at the moment? in % (selected issues)

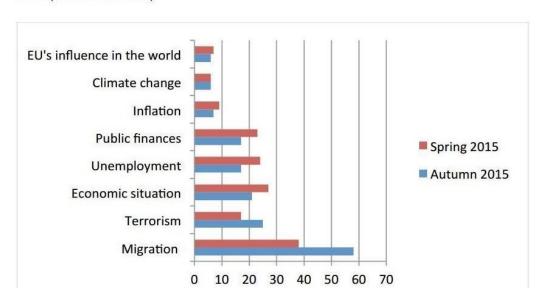


Figure 7 Public opinion poll regarding the most important issues EU is facing (2015). Source: Eurobarometer, Spring and Autumn 2015.

In the face of Europe's biggest refugee crisis since WWII, anti-immigrant RRPPs took advantage of this situation and scapegoated refugees (them) for stripping prosperity, job opportunities, and public services from the 'pure' citizens of the nation (us). The fact that refugee crisis came after the economic crisis, provided fertile ground to RRPPs to convince the 'left-behinds' that immigrants were responsible for their economic problems and that they were a big threat. Furthermore, the traditionalists were also prone to voting RRPPs since the

refugees were presented as a threat to their national identity, their cultural heritage, and the European values. As it is mentioned above, it also fueled Euroscepticism and was considered as a threat to the European identity as well. Therefore, the two hypotheses that are developed are the following:

H0: Refugee crisis did not affect the rise of RWP

H1: Refugee crisis had a strong positive effect on the rise of RWP

# 3.2.4 Corruption

Corruption has been approached in various ways and is discussed in fields as diverse as economics, political science, anthropology, and sociology. Economical scientists depict corruption as "an opportunistic behavior based on the rational choice and agency theory, and thus on the individual's motivations for engaging in corrupt behavior" (Rose-Ackerman and Søreide, 2011) while in the political science, it has often been described as "the result of dysfunctional overlaps between the private and public sector" (Heidenheimer et al., 1989; Johnston, 2005; Lambsdorff, 2007). Undoubtedly, there are many different forms of corruption with devastating effects to the structure of every society. The most important are the following: a) Bribery b) Misuse of political position c) Nepotism d) Vote buying e) State capture. In general, corruption undermines the rule of law, affects political stability, sustains inequality, and hinders the social cohesion.

Conclusively, corruption is a multidimensional which has negative effects on the institutional structure of every society and is considered an obstacle to economic and social development. Political corruption indicates low quality of governance and problems with the rule of law, and it may fuel disappointment and political distrust (Aassve et al, 2018). Furthermore, the accusation of the "corrupt elites" is on the epicenter of the populist rhetoric while RRPPs blame the political establishment for corruption and its consequences and mention that they (as the only true representatives of the "pure people"), are going to solve these problems (Engler, 2020). According to (Roberts, 2017: 292) political corruption "reinforces societal perceptions of parties as self-serving cartels rather than authentic representatives of social interests". Thus, the developed hypotheses are the following:

H0: Corruption does not affect the rise of RRPPs

H1: Corruption has a positive effect on the rise of RRPPs

#### 3.2.5 Globalization

Globalization is analyzed in the context of all the theories mentioned above (globalization backlash thesis, economic inequality perspective and cultural attitudes indicators) since its consequences are multidimensional (political, economic and cultural). In general, it is a social change linked to the growing interdependence between societies, economies, cultures, and populations. In general, there are three types of globalization:

- ➤ The economic globalization is obvious in integration of international financial markets, the ratification of free trade agreements like the North American Free Trade Agreement NAFTA and the operation of multinational corporations in multiple countries.
- ➤ The second is the political globalization which brings states closer politically, economically, and culturally. Indicators of political globalization are supranational institutions like NATO, UN, and EU.
- Finally, there is cultural globalization which is based on technological and societal factors inter alia that bring people and their cultures closer. These include easier communication and migration amongst others.

These three types influence one another. For example, liberalized national trade policies drive economic globalization. Political policies also affect cultural globalization, enabling people to communicate and move around the globe more freely (e.g., Schengen zone). Economic globalization also affects cultural globalization through the import of goods and services that expose people to other cultures.

Indisputably, globalization has numerous positive consequences. The explosive evolution of transport and telecommunications technology has facilitated the exchange of cultural and economic goods and ideas and so on. However, it also has negative consequences on the ground that many citizens 'lagged behind' and did not benefit from this phenomenon. This theoretical approach is what Mudde (2016) named as the "losers-of-globalization thesis". Mudde (2016: 298,299) mentions that this thesis explains that "globalization has interconnected the world economically and has created insecurity for large parts of the population (the "losers"), which look for salvation in the populist radical right". However, he mentions that economic factors are not the primary factors of the rise of RWP. Except from the losers of globalization, 'traditionalists' who oppose cultural shifts may consider that globalization is a threat to the cultural values and the national identity and to vote for RRPPs which are often demonizing globalization and present it as threat to the sovereignty of the

nation-states. Moreover, they oppose the "corrupt elites" outside their countries (horizontal anti-elitism) and the supranational (globalized) institutions. Finally, right-wing populists also blame globalization (inter alia) for economic and refugee crises (and their consequences). In general, we expect globalization to have a positive impact on the rise of right-wing populism (Verbeek & Zaslove, 2017; Rodrik, 2020; Swank & Betz, 2003). Therefore, the tested hypotheses are the following:

H0: Globalization does not affect the rise of RRPPs

H1: Globalization has a positive effect on the rise of RRPPs

### 3.3 Empirical Literature review

Even though, most of the literature on populism is based on qualitative analyses, there are very useful quantitative analyses focusing on its rise, the profile of the voters, its characteristics and so on. In this section I present a brief review of two of them in order to find out how the researchers approached this phenomenon, which variables they used, and which were the most important findings of their analyses.

Roodujin (2018) focuses on the profile of populist parties' voters and compares the electorate of 15 populist parties (10 of them are right-wing, 2 are left-wing: Die Linke and Socialist Party of Netherlands and three are characterized as neither left nor right: M5S, Forza Italia and LDD) and investigates if the voters share any common characteristics. Roodujin uses the European Social Survey (2012) as the primary source of the individual-level data of his analysis and investigates the electorate of each country on each own (not in a panel analysis).

The dependent variable of the model is a dummy variable which is based on which party a respondent voted for in the last national elections. It takes 1 if he/she voted for a populist party and 0 if he/she did vote for a mainstream party (liberal, social-democrat, Christian democrat etc.). The independent variables are socioeconomic variables (income, employment status, level of education), Euroscepticism, political distrust, attitude towards direct democracy (measured according to how important the referendums are for the respondents) and several other control variables like satisfaction with the economy, attitudes toward immigrants, interest in politics, religiosity, age, gender and so on. In general, Roodujin focuses on the expected characteristics of populist parties' voters (analyzed in the previous chapter: 2.2.3 The profile of RRPPs voters) and builds four hypotheses according to the theory and his expectations from the variables:

- 1. The electorate of populist parties consists of individuals who hold lower socioeconomic positions (unemployed, low income etc.)
- 2. Voters who are dissatisfied with EU (Eurosceptic) are more likely to vote for populist parties instead of mainstream ones.
- 3. Voters who hold low levels of political trust are more likely to vote for populist parties instead of mainstream ones.
- 4. Voters who are in favor of measures of direct democracy are more likely to vote for populist parties instead of mainstream ones.

According to the findings, unemployment does not play an important role in any case, while income exerts a negative effect in only 3 cases and social class in 5. Thus, Roodujin rejects the first hypothesis that the lower socioeconomic positions have a positive effect on populists' voting. Moreover, education exerts a negative effect (the higher the level of education, the smaller the possibilities to vote for a populist party) in 6 cases (all of them are right-wing populist parties). Political distrust exerts a positive effect on populist voting in 8 countries while political interest does not play a major role. Thus, Roodujin also rejects the third hypothesis. Furthermore, Euroscepticism and preference for measures of direct democracy (in this paper referendums) do not play an important role in most of the cases. Thus, the second and fourth hypotheses are rejected as well. Finally, the voters who share anti-immigrant attitudes are more likely to vote for RWP parties in every country where a RWPP is investigated.

According to the findings, populist parties' voters are not always "the 'losers of globalization' who share Eurosceptic attitudes, low income and preferences for direct democracy. However, other characteristics of RRPPs' voters like their anti-migrant stance and their low levels of political trust are apparent in this analysis as well.

Inglehart and Norris (2016) focus on the rise of populism by examining two theories on the demand-side of the phenomenon. The first theory is the "economic inequality perspective" which emphasizes on the consequences of economic inequality, unemployment, and income on the electoral behavior in postindustrial economies. According to this theory, economic insecurity has made people with low income, unemployed and poor white populations (the authors characterize them as "left-behinds") who live in urban areas with concentration of immigrants "susceptible to nativist, and xenophobic rhetoric of RRP who blame immigrants ('them') for stripping prosperity, job opportunities, and public services from the 'moral' nationals ('us). Conclusively, according to this theory, the 'left-behinds' are convinced that

immigrants are responsible for their economic problems and thus, they are more prone to voting populist parties that blame them for the same reasons.

The second theory they investigate is the Cultural backlash thesis which mentions that the electoral success of populist parties can be explained not only as an economic phenomenon but mostly as a reaction among traditionalists (usually old) against a possible cultural change of a society (a change to a more progressive society which protects values like human rights, environmental protection, racial and gender equality and so on).

They mention that those theories may also be interconnected on the ground that, "structural changes in the workforce and social trends in globalized markets heighten economic insecurity, and this, in turn, stimulates a negative backlash among traditionalists towards cultural shifts. It may not be an either/or question, but one of relative emphasis with interactive effects."

In order to perform an empirical analysis, they used as case studies 25 European countries. The dependent variables of the model are dummy variable which are based on which party a respondent voted for in the last national elections (it takes 1 if he/she voted for a populist party and 0 if not) and if he/she feels closer to a populist party than all other parties (1 if he/she does and 0 if not). The source of the dependent variables is European Social Survey 1-6 (2002 - 2012). They divide the independent variables in two main categories:

- 1. Economic inequality indicators: The first variable of this category is if the social benefits (unemployment benefits etc) are the main source of income (it takes 1 if they are 0 if not). The second focuses on the difficulties about living on household income (ranges from 1 if the living is very comfortable to 4 if it is very difficult). Thirdly, they investigate unemployment (1 if the respondent is unemployed for more than 3 months and 0 if not). The fourth variable focuses on the social class (ranges from 1 if the respondent is a manager to 5 if he/she is an unskilled worker) while the last one is the urbanization scale (from 1 if the respondent lives in a rural area to 5 if he/she lives in a big city).
- 2. Cultural attitudes indicators: This category is divided into 5 subcategories. The first one focuses on anti-immigration sentiments and includes 3 main questions. If immigration is bad or good for country's economy (from 0 if it is bad to 10 if it is good), if country's culture is undermined (0) or enriched by immigrants (10) and if immigrants make country worse (0) or better place to live (10). The second and third category encapsulate the mistrust on global governance (trust in UN and European Parliament) and national

governance (trust in politicians, satisfaction with the democracy and satisfaction with the local government) respectively. The fourth category investigates the authoritarian values of the respondent (importance of obey, safe, rules, strong government, and tradition) while the fifth focuses on the right-wing ideology scale of the respondent (it ranges from 0 form left-wing to 10 for right-wing)

3. Finally, they also use control variables about respondents' sex, religiosity, education, and age test if they belong to an ethnic minority or not.

According to the empirical findings, populist parties' voters are usually older, less educated, and religious men who belong to ethnic majorities. Thus, the typical profile of a populist party voter is confirmed even though the reasons of these relationships remain unclear.

The examination of the first theory about economic inequality provides mixed results. Even though populist parties did receive bigger support from the 'left-behinds' (unemployed and people with low income), they also received greater support from middle class (not from the unskilled workers). Moreover, the support was smaller among those who depend on social welfare benefits (contrary to the expectations) and among those who live in urban areas.

On the contrary, all the examined cultural attitudes indicated a strong positive relation with populist support which is strengthened by anti-immigrant attitudes, mistrust of global and national governance, support for authoritarian values, and right ideological self-placement. Overall, they conclude that cultural values, combined with several social and demographic factors, provide the most consistent and inclusive explanation for voting support for populist parties.

Conclusively, they mention that voting for populists in Europe "is largely due to ideological appeals to traditional values which are concentrated among the older generation, men, the religious, ethnic majorities, and less educated sectors of society" (Inglehart and Norris, 2016: 5). Furthermore, they emphasize on the cultural and societal changes of the Western societies, and the role of immigration (especially the fact that the "newcomers speak different languages and have different religions and lifestyles from the natives") that shocked the traditionalists and fueled the support for RRPPs.

#### 3.4 Regression Diagnostics

Before analyzing the econometric models, I am going to use in order to test the hypotheses, it is important to explain which regression diagnostics are necessary in order to evaluate the

model's assumptions and investigate whether or not are there any observations with a large, undue influence on the econometric analysis.

# 3.4.1 Stationarity

Stationarity is an important concept in time series analysis. Stationarity means that the statistical properties of a time series do not change over time. More precisely, it is the hypothesis made by traditional estimation methods that the variables present constant means and fluctuations over time. A stationary series fluctuates around a constant long-run mean and, this implies that the series has a finite variance which does not depend on time. On the other hand, non-stationary series have no tendency to return to a long-run deterministic path and the variances of the series are time dependent.

According to Baddeley and Barrowclough (2009: 214, 215) the non-stationarity of a time series means that there is a presence of deterministic or stochastic tendencies in the data (unit-roots) and manifests itself primarily as autocorrelation in the residuals. In this case, the traditional econometric methods may lead to the problem of spurious regression (Granger & Newbold, 1974) and the results of the estimations are generally considered unreliable. This problem arises when a regression analysis indicates a strong relationship between two or more variables when in fact, they are not related at all.

Some of the most well-known Unit-root test are the Levin–Lin–Chu (2002), Harris–Tzavalis (1999), Im–Pesaran–Shin (2003), and Fisher-type (Choi 2001: this method is based on the test proposed by Ronald Aylmer Fisher in 1932). All these tests have as a null hypothesis that all the panels contain a unit root. Thus, the hypotheses that are developed are the following:

H0: There is a unit root in the panels

H1: The panels are stationary

Furthermore, there are tests like the Hadri (2000) Lagrange multiplier (LM) whose null hypothesis is that all the panels are stationary, and the hypotheses are developed as following:

H0: The panels are stationary

H1: There is a unit root in the panels

#### 3.4.2 Cross Sectional Dependence

The investigation of the possible existence of cross-sectional dependence refers to the correlation that the residuals of the cross-sectional series are likely to exhibit. According to Baltagi (2005), cross-sectional dependence is a common problem in macro panels with long

time series (over 20-30 years). Even though, it is not much of a problem in micro panels (few years and large number of cases) the test is still performed because cross-sectional dependence can lead to bias in tests results (also called contemporaneous correlation).

Breusch and Bagan (1980) proposed a Lagrange multiplier (LM) test for cross – sectional dependence which is suitable for panels with large T and small N: T > N (more time periods than cross-sections (countries). However, according to many scholars (Baltagi et al., 2012; De Hoyos & Sarafidis, 2006) this method is not proposed for a panel with more cross-sections than the examined time periods: N > T. In this case, other tests like Pesaran's (2004) cross-sectional dependence test, Friedman's (1937) statistic and the Frees' test (1995) are proposed (Hoyos & Sarafidis, 2006: 484). In the next chapter, I am analyzing the method I select according to the entities and the years of the panel data of my empirical analysis. All the tests mentioned above have the same hypotheses which are the following:

H0: There is no cross-sectional dependence in the regression

H1: There is cross-sectional dependence in the regression

#### 3.4.3 Heteroskedasticity

In general, heteroskedasticity is an econometric problem that often occurs in cross-sectional models. In general, it refers to situations where the variance of the residuals is unequal over a range of measured values. According to Knaub (2007, 431) "homoscedasticity and heteroscedasticity refer, respectively, to whether the variances of the predictions determined by regression remain constant or differ". The basic premise of linear regression is that the fluctuation of the error term  $u_i$  remains constant, whatever the values of the interpretive variables. The error process may be homoskedastic within cross-sectional units, but its variance may also differ across units: a condition known as groupwise heteroskedasticity.

# 3.4.4 Other regression diagnostics

Except from stationarity, cross-sectional dependence and heteroskedasticity, there are more problems that may arise and the equivalent regression diagnostics to detect them.

Firstly, another problem is the presence of multicollinearity. According to Shrestha (2020: 39) in multiple regression analysis, multicollinearity "occurs when the regression model includes several variables that are significantly correlated not only with the dependent variable but also to each other". Thus, multicollinearity may indicate that we are using two variables which are measuring the same (or similar) things and therefore, it is necessary to perform a test in order

to detect it. One of the most common diagnostics to detect multicollinearity is the Variance Inflation Factor (VIF). Secondly, a possible problem is the presence of serial correlation or autocorrelation (the relationship between a variable (x) and its lagged version (x - 1) over time). According to Drukker (2003: 168), "serial correlation in linear panel-data models biases the standard errors and causes the results to be less efficient".

#### 3.5 Panel Data Analysis

Econometric data analysis can be performed by applying time series analysis, cross-sectional data analysis, pooled data analysis or panel analysis. In this thesis I am using panel data (also known as longitudinal or cross-sectional time-series data). Panel data is a dataset in which the behavior of entities is observed and investigated across time.

Panel data allows the control for variables that is difficult to observe or measure like cultural factors, or variables that change over time but not across entities. With panel data it is also possible to include variables at different levels of analysis for multilevel or hierarchical modeling. Some drawbacks are data collection issues, non-response in the case of micro panels or cross-country dependency in the case of macro panels (i.e., correlation between countries).

Panel data analysis has significant advantages over time series analysis and cross-sectional data analysis. According to Ranjan and Agrawal (2011), it limits the likelihood of estimating inconsistent or biased estimators. Furthermore, according to Gujarati (2004) panel data analysis provides more information about the variables which are under consideration, it is more flexible and reduces multicollinearity between variables. According to Baltagi (2005) multicollinearity is more likely in the time-series analysis. Moreover, in panel data analysis, the estimates are more accurate, a larger number of observations is examined, and the heterogeneity of the variables is taken into account, contrary to time-series analysis or cross-sectional data (Baltagi, 2005). Panel data are categorized into short and long panels. Short panels include a limited number of time periods (T) combined with a large number of entities (N): T < N. In contrast, long panels include a large number of time periods and a small number of entities: T > N. Finally, a panel is balanced if there are not any missing data in the entities. In case an entity does not have data for one year then the panel is characterized as unbalanced.

According to Bartels (2009) it is quite common for researchers to choose between fixed effects model, random effects model and pooled OLS in order to perform panel data analysis,

with time-series, cross-sectional, and multilevel data. Bartels (2009: 1) mentions that both FE and RE account for unobserved heterogeneity (differently), while pooled OLS ignores it. Furthermore, the approaches produce different and "in some cases, ambiguous substantive interpretations of coefficients". In the following sub-sections, I briefly analyze pooled OLS, FE and RE methods, alongside the way to select the best-suited model between them.

#### 3.5.1 Pooled OLS

In general, Pooled OLS (Ordinary Least Squares) estimation is an OLS technique run on Panel data. According to Hiestand (2005: 44) pooled regression model is a type of model that has constant coefficients, referring to both intercepts and slopes. In this model, the data are pooled and an OLS model is performed. Pooled OLS regression is based on cross-sectional data and assumes that individual effects are common to all entities (i). The equation for the Pooled OLS model is the following:

$$Y_{it} = \alpha + \beta X_{it} + u_{it}$$

Equation 3 Pooled OLS model

In this equation the entities are explained as such:

- $\triangleright$  Y<sub>i,t</sub> is the dependent variable where i = entity and t = time.
- $\triangleright$  a is the constant which stands for the unknown intercept (Y = a if X = 0)
- $\triangleright$  X<sub>i,t</sub> represents one independent variable,
- $\triangleright$   $\beta_1$  is the coefficient for that independent variable  $(X_{it})$ ,
- $\triangleright$  u<sub>i,t</sub> is the error term

Table 3 Equation entities for pooled OLS

#### 3.5.2 Fixed Effects

According to Baum (2006: 220) the individual level effects are either correlated with the regressors (independent variables) or not and are always uncorrelated with the error term (or disturbance term: the amount by which an observation differs from its expected value). Baum mentions that these individual level effects are known as fixed if they are correlated with the regressors and as random if they are not. Accordingly, Green (2008: 183) mentions that the main distinction between FE and RE is whether the unobserved individual effect embodies elements that are correlated with the regressors in the model, not whether these effects are

stochastic or not". Another difference of fixed and random effects is the way they are estimated. According to Raffalovich and Chung (2014: 212), "fixed effects are estimated as fixed values while random effects as moments of a probability distribution".

Fixed effects explore the relationship between dependent and independent variables within an entity (country, person, company, etc.). Each entity (in this thesis country) has its own individual characteristics that may or may not influence the predictor variables (for example, being a male or female could influence the opinion toward certain issue; or in this thesis, the political system of a particular country could have an effect on the electoral success of a RRPP).

In general, the fixed-effects model controls for all time-invariant differences between the individuals. Thus, the estimated coefficients of the fixed-effects models cannot be biased because of omitted time-invariant characteristics. A possible problem of fixed-effects models is that they cannot be used to investigate time-invariant causes of the dependent variables. Technically, time-invariant characteristics of the individuals are perfectly collinear with entity dummies. A time-invariant characteristic cannot cause such a change because it is constant for each entity (Data Analysis Using Stata, 3<sup>rd</sup> ed., 337). The equation for the fixed effects model is the following:

$$Y_{it} = \alpha_i + \beta_1 X_{i,t} + u_{i,t}$$

Equation 4 Fixed Effects Model

In this equation the entities are explained as such:

- $\triangleright$  Y<sub>i,t</sub> is the dependent variable where i = entity and t = time.
- $\triangleright$  X<sub>i,t</sub> represents one independent variable,
- $\triangleright$   $\beta_1$  is the coefficient for this independent variable (in this case for  $X_{it}$ ),
- $\triangleright$   $\alpha_i$  (i=1....n) is constant which stand for the unknown intercept for each entity (n entity-specific intercepts),
- $\triangleright$   $u_{i,t}$  is the error term.

# Table 4 Equation entities for fixed effects model

The equation of the fixed effects model is slightly different when we use binary variables. Binary or dummy variables are those which only take two values, like gender (male or female), smoking (yes or no) etc. Sometimes it is also useful to create binary variables from other data. For instance, turning the parties' electoral success in two groups: less than the

electoral threshold to enter the parliament (e.g., < 5% in Germany) and more than the threshold to enter the parliament (> 5%). In this case the equation should include  $E_n$  which is the entity n (since they are binary variables, there are n-1 entities included in the model) and  $\gamma_2$  which is the coefficient for the binary entities. After the inclusion of binary variables, the equation for the fixed effects is the following:

$$Y_{it} = \alpha_i + \beta_0 + \beta_1 X_{1,I,t} + \ldots + \beta_k X_{k,i,t} + \gamma_2 E_2 + \ldots + \gamma_n E_n + u_{it}$$

Equation 5 Fixed effects model with binary variables

Finally, there is also the option to investigate a fixed effect model using time-fixed effects (as already mentioned, country-fixed effects are already included in the model). In this case the equation should include  $T_t$  which is the time as binary variable (so we have t-1 time periods) and  $\delta_t$  which is the coefficient for the binary time regressors. Therefore, the equation of the time-fixed effects is the following:

$$Y_{it} = \alpha_i + \beta_0 + \beta_1 X_{1,it} + \ldots + \beta_k X_{k,it} + \gamma_2 E_2 + \ldots + \gamma_n E_n + \delta_2 T_2 + \ldots + \delta_t T_t + u_{it}$$

Equation 6 Fixed effects model with binary variables and time-fixed effects

#### 3.5.3 Random Effects

Contrary to the fixed effects model, the rationale behind random effects model, is that the variation across entities is assumed to be random and uncorrelated with the predictor or independent variables included in the model. Thus, the specific characteristics of each entity are not taken into account (f.i. in random effects models, country-fixed effects are necessary if we want to find out if the individual characteristics of each country influence the dependent variables). The equation for the random effects model is the following:

$$Y_{it} = \beta X_{it} + \alpha + u_{it} + \epsilon_{it}$$

Equation 7 Random effects model

We see that the equation of the random effects model is slightly different than the one of fixed effects. Even though  $u_{it}$  also stands for the error term (as in the case of FE equation), here it is the between entity error (across datasets) while there is also the within entity error  $\varepsilon_{it}$  (within datasets). As in the case of fixed effects model, in order to include binary variables, time-fixed effects and country-fixed effects, we develop the initial random effects equation (7).

#### 3.5.4 Selection of the model

The final (and very) important step before performing a panel data analysis is to decide which is the best possible method to use. In order to decide if the fixed or the random effects are best suited to the analysis, I am going to use the Hausman test, which investigates if the unique errors  $(u_i)$  are correlated with the regressors. According to Hausman (1978), the null hypothesis means that they are not correlated and thus, the random effects are the best suited method of analysis. Therefore, the developed hypotheses are the following:

H0: The preferred model is random effects

H1: The preferred model is fixed effects

Accordingly, it is important to decide whether the random effects or a simple OLS regression is the best possible method of analysis. In this case, the proposed method is the Breusch and Pagan Lagrangian multiplier test (LM) for random effects. In LM test, the null hypothesis is that the variances across entities are equal to zero. This means that there is no significant difference across units and thus, consequently, no panel effect. Thus, a simple OLS regression is best suited for the analysis. According to LM test, the developed hypotheses are the following:

H0: The preferred model is pooled OLS

H1: Random effects are necessary since there is panel effect

It is important to mention that the LM test is only performed when the Hausman tests indicates the necessity of the use of random effects (otherwise, fixed effects method is used and no further testing is required). The hypotheses of the tests alongside the proper method of panel data analysis according to the results are gathered in the following table:

Hausman test	Breusch – Pagan LM test	Selected method
Acceptance of the H0	Acceptance of the H0	Pooled OLS
Denial of the H0	-	Fixed effects
Acceptance of the H0	Denial of the H0	Random effects

Table 5 Selected Panel method according to Hausman and Breusch – Pagan LM test

# 4. Empirical Analysis

## **4.1 Introduction to the Empirical Analysis**

The following chapter presents the econometric analysis of this thesis, which is performed with Stata 13 statical software. The first section presents the data I am going to use, their measurement, the restrictions that may arise and the data sources. The second section presents the results of the regression diagnostics while the third focuses on the panel data analysis and is divided into two subsections: the proper selection of the model (Pooled OLS, FE, RE) and the results of the Panel data analysis.

#### **4.2** Data

The following section presents the dataset and the variables of the empirical analysis and explains the reasons why they are chosen. Furthermore, the hypotheses regarding their possible effect to the rise of RWP are presented alongside the problems that may arise. The Panel Data analysis of this thesis focuses on the rise of RWP in 25 European countries from 2005 to 2019. The specific chronological period takes as a starting point the year after the Eastern Enlargement (2004), when eight of the examined Eastern member-states joined the EU (Croatia and Bulgaria joined the Union in 2007) and takes as an ending point the year before the outbreak of Covid-19 pandemic (2019). The outbreak of the Covid-19 pandemic was highly unexpected, changed the dynamics in the Union and had multiple consequences (both for the EU and the member states). Therefore, this year's data were quite improbable, and the consequences (economic, political and so on) are not evident yet.

The electoral performance of RRPPs (as an indicator of their electoral success and thus, of the rise of RWP) in 25 European countries (22 EU member-states, United Kingdom, Norway and Switzerland) is selected as a dependent variable, while the independent variables are based on the three pillars mentioned in the theoretical presentation of the model (economic crisis, refugee crisis and other possible reasons of the rise which are used as control variables).

The first group of independent variables includes economic indicators in order to evaluate the impact of the Economic Crisis in the rise and therefore, the selected variables are the Gross Domestic Product (in constant prices) and the unemployment ratio. These variables also investigate the 'economic backlash thesis' regarding the electorate of populist parties.

The second phenomenon I am investigating is the effect of the refugee crisis. The variable I have selected as an indicator of this phenomenon is the number of refugees in each country, divided by their population. Except from the refugee crisis, this variable also focuses on the

impact of refugee flows in the rise of RWP. The advantages and disadvantages of this selection alongside the possibility of using a different indicator are analyzed in the subsection about this variable (see 4.2.4).

The following equation (1) presents the way I am going to investigate role of economic factors and immigration (as indicators of Economic and Refugee Crisis) on the rise of RWP:

$$Y_{i,t} = \alpha_0 + \beta_1 X_{i,t} + \beta_2 X_{i,t} + \gamma_1 Z_{i,t} + u_{i,t}$$

Equation 8 1st Equation of the Panel Data analysis

In this equation the entities are explained as such:

- Y<sub>i,t</sub> is the dependent variable: Y = the logarithm of the electoral results of RRPPs; i stands for entities and t for time: In this panel, i = 1....25 for the 25 case-studies of the panel data analysis and t = 1.....15 for the 15 years of the panel.
- $\triangleright$   $\alpha_0$  (i= 1....25) is the constant which stands for the unknown intercept for each entity (25 entity-specific intercepts):  $\alpha$  includes other factors which fueled the rise of RWP but are not included in the panel data analysis.
- $\triangleright$   $X_{i,t}$  is the first independent variable: the economic factors (Economic Crisis)
- $\triangleright$   $\beta_1$  is the coefficient of the logarithm of GDP at constant prices (based on 2010) which is the first economic factor of the analysis  $(X_{i,t})$ .
- $\triangleright$   $\beta_2$  is the coefficient of the logarithm of unemployment ratio which is the second economic factor of the analysis  $(X_{i,t})$ .
- $\triangleright$   $Z_{i,t}$  is the second independent variable: refugee flows (Refugee Crisis)
- $\triangleright$   $\gamma_1$  is the coefficient of the logarithm of refugees/population ratio which is the first indicator of the Refugee Crisis ( $Z_{i,t}$ ).
- $\triangleright$   $u_{i,t}$  is the error term.

#### Table 6 Equation entities: Panel Data Analysis

Even though Economic and Refugee crises are huge events with various consequences (economical, cultural, and political), their analysis is not enough to draw valuable conclusions about the rise of RWP. There are numerous other reasons, like rampant

globalization, quality of governance, structural problems of the EU, xenophobia and antiimmigrant perceptions and so on. Thus, I decided to include two more (control) variables in the panel data analysis to draw some conclusions about the impact of globalization (KOF Globalization Index (which encompasses political, cultural, and economic globalization) and corruption (Corruption Perception Index, CPI) in the rise of RWP. Thus, the second equation of the Panel Data analysis includes these factors, and it is the following:

$$Y_{i,t} = \alpha_0 + \beta_1 X_{i,t} + \beta_2 X_{i,t} + \gamma_1 Z_{i,t} + \delta_1 C_{i,t} + \epsilon_1 G_{i,t} + u_{i,t}$$

# Equation 9 2<sup>nd</sup> Equation of the Panel Data analysis

The new entities of this equation are  $\delta_1 C_{i,t}$  and  $\epsilon_1 G_{i,t}$ :  $C_{i,t}$  is the first control variable, Corruption, while  $\delta_1$  is the coefficient of the variable (Corruption). Accordingly,  $G_{i,t}$  is the second control variable: globalization, while  $\epsilon_1$  is the coefficient of KOF Globalization Index.

Finally, two dummy variables (binary variables) are used in order to investigate the effect of the dependent variables on the independent (electoral success of RRPPs), during and after the Global Economic Crisis and the Refugee Crisis. The first dummy divides the panel into the years before and after the Economic Crisis and takes 1 for the years after its outbreak (2008 onwards) and 0 for the years before it started (2005 – 2007). The second, investigates the effect of Refugee Crisis and divides the panel into the years before and after its outbreak: it takes 1 from 2015 onwards and 0 for the years before its outbreak (2005 – 2014). After the inclusion of the first dummy variable (economic crisis), the equation is the following:

$$Y_{i,t} = \alpha_0 + \beta_1 X_{i,t} + \beta_2 X_{i,t} + \gamma_1 Z_{i,t} + \delta_1 C_{i,t} + \epsilon_1 G_{i,t} + \zeta Economic Crisis + u_{i,t}$$

Equation 10 3<sup>rd</sup> Equation of the Panel Data analysis

In this equation, the new entity is  $\zeta$ EconomicCrisis: EconomicCrisis is the dummy variable while  $\zeta$  is the coefficient. Accordingly, for the second dummy, the equation is the following:

$$Y_{i,t} = \alpha_0 + \beta_1 X_{i,t} + \beta_2 X_{i,t} + \gamma_1 Z_{i,t} + \delta_1 C_{i,t} + \epsilon_1 G_{i,t} + \eta RefugeeCrisis + u_{i,t}$$

# Equation 11 4th Equation of the Panel Data analysis

In this equation,  $\eta$ RefugeeCrisis is the new entity: RefugeeCrisis is the dummy variable while  $\eta$  is the coefficient of the dummy (it takes 1 for the years after Refugee Crisis and 0 for the years before). Moreover, I am going to use the same equations in order to investigate the effect of these variables on the rise of RWP in Western and Eastern Europe respectively. The

only difference in the region-focusing equations is the number of entities (i). In Western Europe i is 1...15 (instead of 1....25) while in Eastern Europe i is 1....10.

At this point it is important to mention that the selected variables should fulfil certain criteria in order to draw valuable conclusions about the rise of RWP in the whole of EU with a panel data analysis. Firstly (and most importantly) it was necessary to select variables which have data for all the case-studies of the analysis (and for most of the years). Secondly, it was necessary to select variables which are used to measure factors that are supposed to fuel RWP in as many countries as possible. Therefore, this selection focuses on the investigation of the impact of serious crises which (more or less) affected the whole of EU (Economic and Refugee Crises). Moreover, globalization (and its consequences) is also selected since it is a multi-dimensional phenomenon with various consequences and is often presented as a threat to the national sovereignty and the cultural values of the nation-states. Finally, an increase in corruption is generally considered to be a problem in every society and therefore, its rise may indicate distrust to the political status quo. Undoubtedly, there are other important reasons that explain the rise of RRPPs in specific countries or regions. In fact, there are reasons like anti-immigrant stance which are (at least theoretically) more important than some of the selected factors of this analysis. Moreover, there are country-focusing reasons: e.g., in Eastern Europe, minorities like Roma are usually presented as the most important enemies ('them') instead of the refugees. However, the inclusion of country-focusing variables in a panel data analysis is meaningless. The following table presents the selected variables, their description, and their source:

Variable	Description	Source
elections	log of "Electoral results of RRPPs"	Timbro Authoritarian Populism Index 2019
GDP	log of "Gross domestic product, Seasonally and calendar, constant prices, index 2010=100"	Eurostat
Unemploy	log of "Unemployment / country" ratio	World Bank
Refpop	log of "refugees per country divided to the country's population" ratio	UNHCR and World Bank

Corruption	Corruption Perception Index	Transparency International
Globalization	KOF Globalization Index	ETH Zurich
EconomicCrisis	Dummy Variable	Source by author
RefugeeCrisis	Dummy variable	Source by author

Table 7 The variables of the Panel Data Analysis

In order to normalize the data and to reduce the problems that may arise from the presence of skewness and kurtosis (appendix, tables 6 - 11) I have transformed the dependent variable (elections) and the three independent variables (GDP, Unemploy, and Refpop) into logarithms. By doing so, the statistical analysis results from these data will become more valid. In fact, the Kernel density estimation, the standardized normal probability plot, the quantiles, and the histogram of Standard Residuals before and after the transformation of the variables into logarithms (appendix, figures 1 - 8) indicate that this transformation has normalized the data to a great extent. The measurement of the variables, their means, their standard deviation, and their minimum and maximum values are presented in the following table (see appendix, tables 1, 2 for the two panels regarding Western and Eastern Europe):

1 <sup>st</sup> Panel Data (25 Countries)						
Variable		Mean	Std. Dev.	Min	Max	Obs.
	overall	2,348002	.9664513	-1,609438	4,242764	N = 371
elections	between		.7919628	.4790225	4,076408	n = 25
	within		.5765301	.2595414	4,748178	T = 15
	overall	4,648583	.0959571	4,36162	4,941899	N = 375
Gdp	between		.0477387	4,517955	4,748426	n = 25
	within		.0837502	4,361049	4,916761	T = 15
	overall	1,971642	.4492259	.6981347	3,313095	N = 375
unemploy	between		.3398447	1,252734	2,76024	n = 25
	within		.3010529	1,054837	2,778954	T = 15
	overall	-6,77333	1,834111	-14,28395	-3,701991	N = 375
Ref	between		1,729795	-10,396	-4,368574	n = 25
	within		.0124988	0572753	.0582117	T = 15
	overall	66,49867	17,71882	33	96	N = 375
Corruption	between		17,59691	39,93333	91,6	n = 25
	within		3,987056	47,232	76.,232	T = 15
alah	overall	83,59173	4,721212	68,87815	90,98389	N = 375
glob	between		.5413027	3,306903	5,408076	n = 25
	within		15,20198	9987628	81,1716	T = 15

Table 8 Summary of descriptive statistics

## 4.2.1 Electoral results of right-wing populist parties

To investigate the rise of RWP in twenty-five countries and to draw valuable and comparable conclusions about this phenomenon at a European level, I had to use a dependent variable which is trustworthy, and similarly measured to all the case studies. Thus, I decided to select the electoral results of the right-wing populist parties in 25 countries across Europe. The prerequisite for the selection of the countries was quite simple, since I included (almost) every member-state that had a RRPP entering the national parliament the last fifteen years. The source of the dependent variable is Timbro Authoritarian Populism Index (TAP: 2019).

TAP index is one the most comprehensive indexes of populism and examines its rise in 33 European countries from 1980 to 2019. Furthermore, it has been used as an indicator for the rise of populism in many research papers (e.g., Hart, 2019; Mickiewicz, 2021; Mounk, 2018). It has also been used as a dependent variable for econometric analyses investigating the rise of populism (Bergh & Karna, 2021).

All in all, the electoral results of RRPPs is one of the best possible variable for a panel data analysis focusing on the rise of RWP in the whole of EU. It encapsulates the success of RRPPs (and thus, the rise of RWP) in the most precise way, and it is also useful to compare the rise in the two regions. Undoubtedly, there are more indicators of the rise of RWP except from the electoral success. For instance, the rhetoric of the populist leaders before and after major events like the refugee crisis is a good method of analyzing both the rise of RWP and the differences between the countries. However, this indicator is best suited for a qualitative analysis.

Despite the apparent advantages of this variable, there are some disadvantages as well. Firstly, it does not investigate the possible tendency of non-populist parties to right-wing populist rhetoric and policies and thus it may not grasp the bigger picture of the rise. Such an example was the center-right Greek ruling party of New Democracy which was characterized as nativist by some scholars during Antonis Samaras' presidency (Papasarantopoulos, 2012: 265). Jean-Yves Camus (2011) also focuses on this impact and mentions that the policy proposals of FN influenced other right-wing parties which shifted to the radical right on issues like multiculturalism and immigration. Secondly (and most importantly), the fact that elections take place every four or five years (unless there are run-off elections) is also a problem since the created variable has missing data for the years between two elections. To

handle those missing data, TAP uses the Last Observation Carried Forward (LOCF) method: it uses the electoral results of a country to fill the gaps for the years after the elections).

#### **4.2.2** Gross Domestic Product

In order to investigate the effects of the Global Economic Crisis on the rise of RWP, I am using two of the most important macroeconomic indicators: Gross Domestic Product (GDP) and unemployment. Undoubtedly, there are many more macro and microeconomic indicators that can be used to analyze economic situation, prosperity, and growth (like inflation rates, gdp per capita, GINI inequality index and so on).

According to the Organization for Economic Cooperation and Development (OECD, 2021) Gross domestic product (GDP) "is the standard measure of the value added created through the production of goods and services in a country during a certain period. As such, it also measures the income earned from that production, or the total amount spent on final goods and services (less imports)". In general, GDP's measurement captures a country's economic output and is the most important macroeconomic indicator. The main objective of GDP is the measurement of the total quantity of goods and services produced in a given country over a given period of time.

GDP is selected as one of the dependent variables because it is regarded as one of the most important indicators of a country's prosperity and economic growth. Furthermore, it is used by most scholars in econometric analyses about economic effects and consequences. Even though cultural factors are considered as more important reasons of the rise of RWP, the voters of RRPPs are often dissatisfied by the economic situation in their countries (Sandrin, 2021: 228). Thus, GDP growth is expected to have negative effects in the rise of RRPPs, since it would generally imply prosperity and lower dissatisfaction of the citizens as well. The hypotheses that are developed are the following:

H0: GDP does not play an important role in the rise of populism

H1: The growth of GDP has a strong, negative effect on the rise of populism

In the econometric analysis, GDP is used in constant prices (of 2010) from Eurostat. Constant prices adjust for the effects of inflation and thus, enable us to measure the actual change in output (and not just an increase because of inflation). Therefore, it helps us measure the true growth of Gross Domestic Product (and thus, the *true* economic growth of the countries) which is not affected by exogenous factors. Moreover, GDP growth is affected by many

exogenous factors like technology and innovation, and it tends to increase over time following a trend that is not (only) due to real economic growth. To remove these effects, I am going to detrend this variable and to use its cyclical component in the econometric analysis.

## 4.2.3 Unemployment

Unemployment is the second parameter which is investigated as a possible reason for the rise of right-wing populism. In the panel data analysis, I am using the unemployment ratio from World Bank. In general, it is one of the key measures of the health of the economy and high unemployment implies a possible dissatisfaction of the citizens about their standards of living and the economic situation in their countries. Furthermore, as in the case of GDP, unemployment is used by many scholars in their econometric analyses and is also used as an indicator of the consequences of 2008 Economic Crisis. In general, unemployment is expected to fuel populism (globalization backlash thesis, economic inequality theory) and the two hypotheses are the following:

H0: Unemployment does not affect the rise of RRPPs

H1: Unemployment has a strong positive effect on the rise of RRPPs

# 4.2.4 Refugees per Country

The selected variable for the investigation of the impact of refugee flows and immigration is the number of refugees in each country divided by the population of the country (to create a comparable ratio). The sources of the data are the United Nations High Commissioner for Refugees (for the refugees' population) and World Bank (for the total population of the countries). This variable is measured from 0 (no refugees at all) to 1 (1 refugee for each citizen of a country).

Even though, there are other indicators like peoples' opinion regarding immigration, using the actual numbers of refugees will help us avoid the problems that may arise from different methodological techniques used in different opinion polls about perceptions in each country. Furthermore, the fact that I am investigating possible reasons of the rise in 25 countries in a period of 15 years makes it impossible to find enough surveys for all the countries and all the years of the sample (and even if there are, other problems may arise, like the number of respondents in every country, the fact that they are not conducted in a yearly basis (like the very comprehensive European Social Survey which is conducted in all European countries but every two years and so on).

This variable is very useful, for two reasons. Firstly, it indicates if the refugee flows have an impact to the rise of RWP. Secondly, it indicates if the number of refugees in the member-states is that big to explain this anti-immigrant stance and the xenophobic rhetoric of the RRPPs (otherwise it is proven that populists tend to present fictional crises to justify their anti-immigrant stance and their hostile rhetoric).

In general, the number of refugees is expected to have a positive effect on the rise of populism, both according to the supply (xenophobic, nativist, and anti-immigrant stance of RRPPs; proposals focusing on closed-borders policies) and the demand-side (economic inequality theory, globalization backlash thesis and cultural reasons of the rise) of right-wing populism. Thus, the developed hypotheses are the following:

H0: The number of refugees does not affect the rise of RRPPs

H1: The number of refugees has a strong positive effect on the rise of RRPPs

# 4.2.5 Corruption

The first control variable of the analysis will help us draw some conclusions regarding the impact of corruption on the rise of RWP. For this purpose, I am using the Corruption Perception Index (CPI) from Transparency International. CPI was established in 1995 as a composite indicator used to measure perceptions of corruption in the public sector in different countries around the world. It is a combination of surveys and assessments of corruption, collected by a variety of institutions and reflects the views of observers from around the world, including experts living and working in the evaluated countries.

CPI is a measurement of transparency (the opposite of corruption). Since the first release of the index, in 1995, results used to be presented in a scale from 0 (highly corrupt) to 10 (highly transparent). An update in the methodology, in 2012, led to a new scale from 0 (highly corrupt) to 100 (highly transparent). In order to have a similar measurement for all the years of the analysis, I have multiplied the data from 2005 to 2012 by 10 and thus, in the dataset I am using, it is measured on a continuous numerical scale from 0 (highly corrupt) to 100 (highly transparent).

At this point, it is important to mention the problems that may arise while using CPI as an indicator of corruption since many scholars pinpoint the weaknesses of this index and mention that it is not a precise indicator of corruption (Hawthorne, 2015). Despite these concerns, CPI is generally one of the most used indexes for the measurement of corruption

(Hawthorne agrees with this argument despite his critique on the index), while both the index before (Voyer & Beamish, 2004) and after 2012 (Asongu, 2012; Sarabia et al 2020), have been used multiple times in order to perform empirical analyses regarding corruption. Furthermore, the indexes before and after 2012 have also been used jointly for empirical analyses (Papageorgiou et al., 2018). However, it is important to mention that this variable is only used in this thesis as an indicator of the general trend of a country's corruption and the results regarding its effect are not fully accurate. As already mentioned in the methodology, corruption is expected (the reduce of transparency) to have a positive effect on the rise of RWP, since it fuels political distrust and may indicate low quality of governance. Therefore, the hypotheses of this variable are the following:

H0: Transparency does not affect the electoral success of RRPPs

H1: Transparency has a strong negative effect on the electoral success of RRPPs.

#### 4.2.6 Globalization

The second control variable I am using in the econometric model is the KOF Globalization Index from ETH Zurich (Swiss Federal Institute of Technology). This index is used in order to investigate the effect of Globalization on the rise of RWP. KOFGI is a panel normalized index ranging in a continuous numerical scale from 1 (not globalized at all) to 100 (fully globalized) and is used as an indicator of social, economic, and political globalization in the econometric model of this thesis. It is a comprehensive index which takes many different parameters into account.

The original index was introduced by Dreher (2006) as a composite indicator to measure globalization and was firstly updated in Dreher et al. (2008). The version I am using is the second revision of the index (Gygli et al, 2019) which distinguishes between de facto and de jure measures of globalization along the different dimensions of this phenomenon (political, economic and social). KOFGI is a composite index which is based on 43 variables and is divided into 6 pillars:

- ➤ Trade Globalization: De facto trade globalization is based on variables like the exports and imports of goods as a % of GDP (World Bank). De jure is based on variables like the number of bilateral and multilateral free trade agreements of each country.
- Financial Globalization: De facto (e.g., summary of inward and outward stocks of international portfolio debt securities and international bank loans and deposits as a

percentage of GDP). De jure (e.g., the prevalence of foreign ownership and regulations to international capital flows).

- Interpersonal Globalization: De facto (e.g., the number of foreign or foreign-born residents as a percentage of population). De jure (e.g., percentage of countries for which a country requires a visa from foreign visitor)
- ➤ Informational Globalization: De facto (e.g., exports of high R&D intensity products in current US\$ (% of population). De jure (e.g., individuals using the internet (% of population).
- ➤ Cultural Globalization: De facto (e.g., exports and imports of cultural goods defined as in UNESCO (2009) (% of population). De jure (e.g., quantification of aspects on freedom of expression and belief, associational and organizational rights, rule of law and personal autonomy and individual rights).
- ➤ Political Globalization: De facto (e.g., absolute number of embassies in a country). De jure (e.g., international treaties signed between two or more states and ratified by the highest legislative body of each country since 1945).

Considering that the starting point of the empirical analysis is 2005, one could argue that most of the investigated countries were already globalized and thus, the effects of this phenomenon are going to be minor. However, the global-scale events that took place in the last 15 years (Refugee Crisis, Economic Crisis) alongside the tendency of RRPPs' leaders to blame globalization (inter alia) for the 'malaises' of European countries, the threat of loss of national and cultural identity and so on, makes it necessary to investigate the effect of this phenomenon on the rise of RWP.

Conclusively, the introduction of this index in the econometric analysis is expected to help us draw valuable conclusions about the effects of globalization on the rise of RWP. According to the theory mentioned above (losers of globalization thesis and cultural reasons of the rise of RWP) the two hypotheses regarding the effect of globalization on the electoral success of RRPPs are the following:

H0: Globalization does not affect the electoral success of RRPPs

H1: Globalization has a strong positive effect on the electoral success of RRPPs

### 4.2.7 Case Studies

Before moving to the next section which presents the results of the regressions' diagnostics, it is necessary to explain which countries are selected from each region and why. Furthermore, I

explain the method I used to divide the countries into Western and Eastern European countries.

To investigate the rise of RWP in EU, I am using as case studies twenty-two member-states where the electoral success of RRPPs is significant. Moreover, I am including United Kingdom, Norway, and Switzerland for multiple reasons; be it political, historical, and cultural. On the one hand, UK was a member of the EU since Brexit; an event which is analyzed under the scope of the rise of RWP in UK. On the other, Switzerland and Norway do have strong cultural, political, and historical ties with the EU member-states. Furthermore, both are members of EFTA (the European Free Trade Association) and Schengen countries, while Norway is also a member of the EEA (European Economic Area). RRPPs have achieved big electoral success in both Switzerland and Norway as well. Finally, all three of them are established Western democracies and thus, the investigation of the rise of RWP in these three countries, is of great importance, since it affects the European political landscape.

The first step of this analysis is the proper way of dividing the member states into Western and Eastern ones. Unavoidably, this process raises the question of the best possible way to do so, since there are several ways of grouping, be it geographical, historical, or cultural.

Considering the purpose of this thesis, I am going to use two ways of grouping which are based on political criteria. On the one hand, I am using the typical distinction of EU countries into old (as of 1995 EU enlargement) and new member-states (after the Eastern enlargement of 2004 and 2007 and the admission of Croatia in 2013). On the other hand, I am grouping the countries according to their political past. Thus, I am including the "old European democracies" (or the members of the NATO alliance during the Cold War) in the Western region, where I include the following countries: Austria, Belgium, Denmark, Cyprus, Finland, France, Germany, Greece, Italy, Luxembourg, Netherlands, Norway, Switzerland, Sweden, and United Kingdom.

Accordingly, the post-communist democracies are included in the Eastern one: Bulgaria, Czech Republic, Croatia, Estonia, Hungary, Latvia, Lithuania, Poland, Slovakia, and Slovenia. This division is also introduced by the Organization for Economic Cooperation and development which names these countries (alongside, Romania, Albania, Montenegro, Sebia, North Macedonia, Bosnia & Herzegovina, and Kosovo) as Central and Eastern European Countries (CEECs). Except Greece and Cyprus which are located in the Eastern part of

Europe but are considered to be Western democracies because of their political past, this division fulfils the geographical criteria as well.

The only member-states excluded from this analysis are Portugal, Malta, Ireland, Spain, and Romania. The first three countries have not experienced a serious problem regarding right-wing populism. In Malta, the (near) two-party system is monopolized by the social-democrat Labour Party and the Christian-democratic Nationalist Party while in Ireland, there are not any parties classified as RRPPs. Thus, the inclusion of these countries in the empirical analysis would provide no evidence regarding the rise of RWP at a European level. Finally, in Portugal, the newly founded (2019) right-wing populist Chega (Enough) won 1.29% in 2019 national legislative elections and elected one member of the parliament. Until now, its biggest success is the 2021 presidential elections, when Chega's President, Andre Ventura won 11.89% of the votes and came third. Despite these results, there is still, lack of enough data regarding RWP in Portugal the last fifteen years and thus, I decided to exclude it from my empirical analysis.

Spain is a different case, since the RRPP Vox (Voice), was founded in 2013 and gathered 15,08 % in 2019 run-off elections of November becoming the third biggest party in the Spanish parliament (It had gathered 10,26 % in April's elections). Even though Vox is self-characterized as a conservative right-wing party, its policy positions show that it is a typical RRP one, while some scholars have also classified Vox as ultranationalist.

Vox combines anti-migration stance (especially anti-Islamism) with nationalism, authoritarianism, and traditionalism. Regarding European integration, Vox holds a Eurosceptic view, fulfilling another criterion of RRP party. Moreover, it opposes core principles of liberal democracy such as the rule of law, individual liberties (e.g., anti-abortion) and the rights of minorities (Rama et al., 2021). Economically, Vox is promoting a neoliberal agenda and internal policies it advocates the abolishing of autonomous communities (Basque Country and Catalunya). The party's alliances also prove this argument, since it is a member of the Eurosceptic party family, European Conservatives and Reformists (ECR) and shares group with right-wing populist parties such as Polish Law and Justice, Brothers of Italy, Dutch JA21 and the Sweden Democrats. Furthermore, it was openly supportive of Donald Trump's candidacy in 2020 US Presidential Elections and applauded his controversial political decisions during his presidency.

One of the most surprising findings regarding Vox is a 2020 study regarding its electorate. According to the finding of the statistical analysis, most of the party's voters are middle-aged, with higher education and income, coming from urban areas. Those findings are opposed to the typical supporter of a RRPP who is in general a man with a lower income and education, coming from rural areas. Furthermore, support for Vox is stronger among those who are not satisfied with the political situation in Spain.

The reason why I have decided to not include Spain in the case studies I am investigating in the empirical model of this thesis is the lack of empirical data regarding RWP populism in Spain in 14 out of the 15 years of my analysis (Vox was first elected in 2019, the last year of my analysis) which made it impossible to draw useful conclusions and to conduct econometric analysis in this case. Nonetheless, Vox's electoral success is worrisome and future empirical research in the rise of RWP in the EU should include this case.

Finally, in Romania, the Greater Romania Party (Partidul România Mare, PRM), lost much of its power after 2004 and did not elect any members in parliament since then. The party's biggest success was the second place in 2000 legislative and presidential elections, when it won 19.48% and 28.34% of the votes respectively. The first RRPP to achieve electoral success since 2004, is the Alliance for the Union of Romanians, founded in 2019, which won 9.08% in 2020 national elections and came 4<sup>th</sup>. Even though Romania did not have a parliamentary radical right populist force for fifteen years, some of the language, reflexes and themes associated with these parties have long been a part of the mainstream ones like the social-democratic PSD and the conservative National Liberal Party (PNL). (Mungiu-Pippidi, 2018; Chiruta, 2021)

## 4.3 Regression diagnostics

In the next section I am presenting the results of the performed regression diagnostics in order to find out if there any problems with the dataset and certain restrictions about the econometric models I am going to use. In order to draw valuable conclusions, I also create two new datasets which include only the case-studies from each region (15 countries from the Western Europe and 10 countries from the Eastern Europe) in order to perform the regression diagnostics in the sub-groups. The division of the dataset is necessary to examine which empirical models I am going to use in the sub-groups as well.

#### 4.3.1 Unit-root test

In this thesis, I am using the Im Pesaran Shin (IPS, 2003) unit root test in the dependent variable (electoral results of RRPPs) and the macroeconomic indicators in order to investigate if there are unit roots in the data or if they are stationary. According to the theory (Im et al, 2003), IPS test has the following hypotheses:

H0: There is a Unit Root in a variable of the panel data

H1: The variables of the panel data are stationary

The results of the unit-root tests are the following:

Im-Pesaran-Shin unit-root tests				
Variables  1 <sup>st</sup> Panel (25 Countries)  2 <sup>nd</sup> Panel (Wester 15 Countries)				
Elections	-5.722***	-8.1023***		
elections trend	-17.4441***	-7.6710***		
cY	-7.6397***	-4.8464***		
cY trend	-5.3497***	-3.3227***		
Unemploy	-3.7655***	-3.3560***		
unemploy trend	-6.4050***	-1.1409		
legend: * p < 0.1; ** p < 0.05; *** p < 0.01				

Table 9 Results: Im-Pesaran-Shin unit-root tests (1<sup>st</sup> Panel: 25 Countries and 2<sup>nd</sup> Panel: Western Europe)

According to the results of IPS unit-root test, the variables of the first panel of the analysis (all 25 case-studies) are stationary (there is not a unit-root), since the p-values of the tests are smaller than 0.01 and thus, we accept the alternative hypothesis (stationarity) at the 99% level of significance (both their constant and their trend are stationary). Therefore, we can perform a panel data analysis without the possibility of a spurious regression with biased results. The variables of the second panel (Western Europe) are also stationary (p-values are smaller than 0.01 and we accept the alternative hypothesis at 99% significance level) and thus, there are not any problems with the panel data analysis in this case as well (there is a minor problem in the trend of unemploy (logarithm of unemployment ratio) while p-value is slightly bigger than 0.1).

However, as we are going to see in the next section (4.3.2 Cross-sectional dependence), in the third panel (Eastern Europe) there is a presence of cross-sectional dependence and thus, the proposed method to test for stationarity is the second-generation unit-root test. In this case, I am using the t-test for unit roots in heterogenous panels with cross-section dependence, proposed by Pesaran (2003). The results are the following:

2 <sup>nd</sup> Generation Unit-root test: 3 <sup>rd</sup> Panel (Eastern Europe: 15 countries)			
Variables	Results		
Elections	-1.806		
elections trend	-1.806		
cY	-2.644**		
cY trend	-2.268		
Unemploy	-3.086***		
unemploy trend -3.863***			
legend: * p < 0.1; *** p < 0.05; *** p < 0.01			

Table 10 Results: 2nd Generation Unit-root test (3rd Panel Eastern Europe)

The 2<sup>nd</sup> generation unit-root test indicates a unit-root problem in the dependent variable (both the constant and the trend), since the results of the tests are smaller than the three critical values at 10%, 5% and 1% levels of significance. Thus, we cannot reject the null hypothesis and we conclude that there is a presence of unit-root. Furthermore, there is also a unit-root problem in the trend of one of the independent variables (cY) since CIPS is smaller than the three critical values and therefore, we cannot reject the null hypothesis (presence of a unit-root). Considering the restrictions and the problems that may arise from the presence of a unit-root in the variables (possible spurious regression), a panel analysis in the 3<sup>rd</sup> panel (Eastern Europe) in order to draw some general conclusions about the difference on the rise of right-wing populism in the two regions. However, it is important to mention that the results about Eastern Europe might problematic and influenced by the presence of a unit-root.

## 4.3.2 Cross – sectional dependence

As we mentioned in the previous chapter, Pesaran's test about cross sectional dependency is suitable for micro-panels, while Lagrange multiplier is suitable for macro-panels. In my empirical model I am investigating the rise of RWP in 25 countries (N) in a period of 15 years (T). Thus, N > T and according to the theory, Pesaran's test is suitable for the sample of the present thesis. According to this test, the hypotheses that are developed are the following (Pesaran, 2004):

H0: There is no cross-sectional dependence in the panel data

H1: There is cross-sectional dependence in the panel data

After dividing the sample (15 Western countries and 10 Eastern) and thus, I also have to perform a cross sectional dependence test in the panel data of each region. In the Western Europe N (15) = T (15), so I am using Pesaran's test as well. However, in Eastern Europe N (10) > T (15), so I am using the proposed (Hoyos & Sarafidis, 2006) Lagrange Multiplier (LM). LM's hypotheses are the same as in Pesaran's test. (Baltagi et al, 2012). The results of the tests are the following:

Pesaran's test	(1)	(2)	(3)
1 <sup>st</sup> Panel Data (25 countries)	0.357	0.334	0.324
2 <sup>nd</sup> Panel Data (Western Europe: 15 countries)	0.359	0.342	0.340
LM test	(1)	(2)	(3)
3 <sup>rd</sup> Panel Data (Eastern Europe: 10 countries	112.969***	112.277***	112.025***
Legend: * p < 0.1; ** p < 0.05; *** p < 0.01			

Table 11 Results: Pesaran and LM test for Cross-sectional dependence

According to the results of the tests, in all the models of the first two panels (where we use Pesaran's test), the p-value is bigger than 0.05. Thus, we accept the null hypothesis that there is no presence of cross-sectional dependence in the panel data. However, the results of the test

in the 3<sup>rd</sup> panel (where we used the Breusch Pagan LM test), indicate a presence of cross-sectional dependence since p-value is smaller than 0.01. In this case, we accept the alternative hypothesis (presence of cross-sectional dependence) at the 99% significance level.

# 4.3.3 Heteroscedasticity

To investigate if there is presence of heteroskedasticity I am using a modified Wald statistic for groupwise heteroskedasticity in the residuals of a fixed effect regression model, which follows the method proposed by Greene (2000). The resulting test statistic's null hypothesis is the presence of homoskedasticity and so the hypotheses are the following:

H0: There is presence of homoskedasticity in the regression model

H1: There is a presence of heteroskedasticity in the regression model

The results of the Modified Wald test for heteroskedasticity are the following:

Modified Wald statistic	(1)	(2)	(3)
1 <sup>st</sup> Panel Data (25	chi2(25)	chi2(25)	chi2(25)
countries)	5756.24***	4866.86***	2900.63***
2 <sup>nd</sup> Panel Data (Western Europe: 15	chi2(15)	chi2(15)	chi2(15)
countries)	9209.80***	1919.61***	868.26***
3 <sup>rd</sup> Panel Data (Eastern Europe: 10	chi2(10)	chi2(10)	chi2(10)
countries	418.45***	459.94***	459.31***
Legend: * p < 0.1; ** p < 0.05; *** p < 0.01			

Table 12 Results: Modified Wald Statistic for Heteroskedasticity

According to the tests, there is a presence of heteroskedasticity in all the models of the three panels, since the p-values of the tests are smaller than 0.01 and thus, we accept the alternative hypothesis (presence of heteroskedasticity) at the 99% level of significance. According to stata manual if there is heteroskedasticity or within-panel serial correlation we could use the robust option. This option uses the Robust Sandwich Covariate Estimate, (Huber Sandwich

Estimator) which estimates the variance of a regression when the underlying model is incorrect (Wang, 1999). The "robustness" of standard errors is a technique to obtain unbiased standard errors of coefficients under heteroscedasticity.

## 4.3.4 Multicollinearity

The diagnostic I am using to investigate the presence of multicollinearity is the variance inflation factor (VIF) to measure if there are any serious collinearities among the predictor variables in the regression models. In VIF, an OLS linear regression examines the relationship between the dependent variable and each of the independent variables separately. According to some scholars, (Menard, 2001; Vittinghoff et al., 2011) if VIF > 5 there is a cause of concern for possible collinearity while if VIF > 10 then there is a serious collinearity problem. Accordingly, Ringle et al. (2015) point out that 5 is the maximum accepted level of VIF, while other scholars mention that VIF is acceptable if <10. The results of VIF in the three panels and their models are the following:

Variance Inflation Factor	(1)	(2)	(3)
1 <sup>st</sup> Panel Data	1.32	1.80	2.43
2 <sup>nd</sup> Panel Data	1.23	1.71	2.02
3 <sup>rd</sup> Panel Data	1.42	1.63	1.70

Table 13 Results: Variance Inflation Factor for Multicollinearity

According to the results of VIF, multicollinearity is not a problem in the models of the three panels. In the 1<sup>st</sup> panel, the mean VIF of the models is 1.32, 1.80 and 2.43 respectively (all of them are much smaller than 5 which is considered as the maximum accepted level of VIF). Similarly, in the 2<sup>nd</sup> and the 3<sup>rd</sup> panel mean VIF is much smaller than 5 in all three models.

#### 4.3.5 Serial correlation

To investigate if there is a presence of serial correlation, I am using the Woolridge test (2002) for autocorrelation in panel data. According to the test the hypotheses are the following:

H0: There is no serial correlation in panel data

H1: There is serial correlation in panel data

The results of the Woolridge test for autocorrelation are the following:

Woolridge test for autocorrelation	(1)	(2)	(3)
1 <sup>st</sup> Panel Data (25	F (1, 24)	F(1, 24)	F(1, 24)
countries	1589.721***	1819.136***	1933.668***
2 <sup>nd</sup> Panel Data (Western Europe: 15	F (1, 14)	F(1, 14)	F(1, 14)
countries)	5012.837***	2206.834***	2421.484***
3 <sup>rd</sup> Panel Data (Eastern Europe: 10	F (1, 9)	F(1, 9)	F(1, 9)
countries	191.311***	394.270***	378.577***
Legend: * $p < 0.1$ ; ** $p < 0.05$ ; *** $p < 0.01$			

Table 14 Results: Woolridge test for autocorrelation

According to the results of the Woolridge test, there is a presence of autocorrelation (serial correlation) in all the models of the three panels, since the p-value of all the tests is smaller than 0.01 and thus, we accept the alternative hypothesis (presence of serial correlation) at the 99% level of significance. However, serial correlation is not a big problem in panels with few years (Akel and Torun, 2017: 332) and thus, it is not much of a problem in the three panels of this analysis. In order to solve the problems that arise from serial correlation, Drukker (2003: 171) proposes to "cluster at the panel level in order to produce consistent estimates of the standard errors".

### 4.4 Panel data analysis

The following section presents the panel data analysis and is divided into two sub-sections. The first focuses on the proper selection of the model, while the second presents the results of the panel data regressions, their analysis, and their evaluation.

#### 4.4.1 Selection of the model (Pooled OLS, FE, RE)

As already mentioned in the previous chapter (methodology), the proper selection of the model (FE, RE, Pooled OLS) is necessary in order to perform a panel data analysis. The tests

proposed by Hausman and Breusch and Pagan (Lagrange Multiplier, LM test) are used for the proper selection of the model.

Fixed, random or Pooled OLS (1st Panel: 25 countries)				
Model	(1)	(2)	(3)	
Hausman test	19.94**	0.0289*	15.64**	
Result	Fixed effects	Fixed effects	Fixed effects	
LM test for random effects	-	-	-	
Result	-	-	-	
legend: * $p < 0.05$ ; ** $p < 0.01$ ; *** $p = 0.00$				

*Table 15 Results: Fixed, Random or Pooled OLS; 1st Panel (25 Entities)* 

The Hausman test is used to decide if the fixed or the random effects are best suited to the panel data analysis. In the first model, the p-value of the Hausman test is 0.0002 (<0.01) and the alternative hypothesis is accepted at the 99% level of significance. Thus, fixed effects are selected for the first model of this panel.

Accordingly, in the second model, the p-value of the Hausman test, is  $0.0289 \ (< 0.05)$  and the alternative hypothesis is accepted at the 95% level of significance (FE).

Finally, in the third model, the p-value is 0.0079 (< 0.01) and thus, the alternative hypothesis is also accepted (FE) at the 99% significance level. Since we accept the alternative hypotheses in all three models and fixed effects are best suited for the analyses, the LM test for random effects is not necessary in the first panel.

Fixed, random or Pooled OLS (2 <sup>nd</sup> Panel: Western Europe, 15 entities)				
Model	(1)	(2)	(3)	
Hausman test	1.85	4.93	3.63	
Result	Random effects	Random effects	Random effects	
LM test for random effects	369.46***	389.36***	418.16***	
Result	Random effects	Random effects	Random effects	
legend: * p < 0.05; ** p < 0.01; *** p = 0.00				

Table 16 Results: Fixed, Random or Pooled OLS; 2<sup>nd</sup> Panel (Western Europe, 15 Entities)

In the first model of this panel, the p-value of the Hausman test is 0.6046 (> 0.05). Thus, we cannot reject the null hypothesis at the 95% level of significance and random effects are selected for this model. Considering the selection of random effects, an LM test is necessary to decide if a random effects model or a pooled OLS regression is best suited to the analysis. The p-value of the LM test is 0 and the alternative hypothesis is accepted at the 100% level of significance. Therefore, random effects are selected for the first model of the panel. In the second model, the p-value of the Hausman test is 0.2943 (> 0.05) and therefore we accept the null hypothesis (RE). Since, the p-value of LM test is 0 we assume that random effects are best suited to this model as well.

Finally, in the third model, the p-value of the Hausman test is 0.6032 (> 0.05) and once again, the null hypothesis is not rejected at the 95% level of significance (RE). The p-value of the LM test is 0 and thus, random effects are also selected for the third model of this panel.

Fixed, random or Pooled OLS (3 <sup>rd</sup> Panel: Eastern Europe, 10 countries)				
Model	(1)	(2)	(3)	
Hausman test	1.46	1.30	0.75	
Result	Random effects	Random effects	Random effects	
LM test for random effects	457.54***	449.67***	454.63***	
Result	Random effects	Random effects	Random effects	
legend: * p < 0.05; ** p < 0.01; *** p = 0.00				

*Table 17 Results: Fixed, Random or Pooled OLS; 3<sup>rd</sup> Panel (Eastern Europe: 10 Entities)* 

In the first model of the third panel, the p-value of the Hausman test is 0.6920 (> 0.05). Thus, the null hypothesis is accepted at the 95% level of significance and random effects are selected for this model. The LM test is used to find out if a random effects model or a pooled OLS regression is best suited to the analysis. The p-value of the LM test is 0 and the alternative hypothesis is accepted at the 100% level of significance. Therefore, random effects are selected for the first model of the panel. In the second model, the p-value of the Hausman test is 0.8613 (> 0.05) and the null hypothesis is also accepted (RE). Since, the p-value of LM test is 0 the alternative hypothesis is accepted, and we assume that random effects are best suited to this model as well. Finally, in the third model, the p-value of the Hausman test is 0.9801 (> 0.05) and once again, we cannot reject the null hypothesis (RE). The p-value of the LM test is 0 and thus, random effects are also selected for the third model of this panel.

# 4.4.2 Empirical results

This section of the thesis focuses on the presentation and the analysis of the results of the panel data analyses. Starting with the first panel, which focuses on the rise of RWP in the whole of EU, the results of the Panel data analyses are the following (see table 3 in the appendix for the regression diagnostics and table 12 for hausman and LM test of the models after the inclusion of dummy variables):

1st Panel (25 Countries)					
Variable	(1)	(2)	(3)	(4)	(5)
cY	-3.1277525**	-3.1812509**	-4.3311079***	-3.3078746***	-4.278899***
	-2.42	-2.43	-4.23	-2.82	-4.10
unemploy	66509461**	74010653***	70667942***	69509656***	6796534***
	-2.68	-3.23	-3.07	-3.02	-2.93
C	.30423095**	.33048561***	.30727221***	.30380028***	.294403**
ref	2.67	3.03	2.89	2.77	2.52
G .:		01569751	02112671*	01709975	0204144*
Corruption		-1.42	-1.91	-1.56	-1.83
alah			.06953678**	.03629847	.0626431**
glob			2.17	1.08	2.01
Economic				.19679932	
Crisis				1.59	
Refugee					.0636571
Crisis					0.65
constant	5.4374747***	6.8166631***	1.4116043	3.7520621	1.73786
constant	4.47	4.96	0.50	1.20	0.62
Est. method	Fixed Effects	Fixed Effects	Fixed Effects	Random Effects	Random Effects
Time effects	YES	YES	NO	NO	NO
Country effects	NO	NO	NO	YES	YES
Number of obs	371	371	371	371	371
Number of groups	25	25	25	25	25
R-squared	0.0646	0.1058	0.0641	0.7505	0.7471
legend: * p < 0.1; *** p < 0.05; *** p < 0.01					

*Table 18 1<sup>st</sup> Panel: Results of the panel data regressions* 

Starting with the first model which investigates the impact of economic factors (economic crisis) and refugee / population ration (refugee crisis) in the rise of RWP, we run a panel data regression with fixed effect models, using elections (logarithm of the electoral results of

RRPPs) as a dependent variable and cY (detrended logarithm of GDP at constant prices), unemploy (logarithm of unemployment ratio) and ref (logarithm of refugees / population ratio) as independent variables. According to the results the equation is the following (fixed effects model with time fixed effects):

elections = 5.4374747 - 3.1277525cY - 0.66509461unemploy + 0.30423095ref + u

Equation 12 1<sup>st</sup> Panel: Equation of the 1<sup>st</sup> model

As we see, all the three independent variables have a strong effect on the dependent at the 5% level of significance since their p-value < 0,05. The first dependent variable, the detrended logarithm of GDP at constant prices (cY) has a negative effect on the logarithm of the electoral results of RRPPs (elections) and according to its coefficient, when cY increases by 1 unit, elections reduce by 3.1277525 units. In this case, we accept the alternative hypothesis and we assume that cY has a strong negative effect on elections at 5% level of significance. The second dependent variable, the logarithm of unemployment ratio (unemploy), also has a negative effect on elections and if it increases by 1 unit, elections reduce by 0.66509461. Even though the effect of unemploy on elections is statistically significant at 1% level, in this case we reject the alternative hypothesis since we expected unemployment to fuel Right-Wing Populism. The third dependent variable, the logarithm of refugees / population ratio (ref) has a positive effect on elections and its increase by 1 unit leads to an increase of elections by 0.30423095 units. In this case, we accept the alternative hypothesis, and we assume that ref has a strong positive effect on elections. Finally, the constant, which stands for unknown factors that fuel the electoral success of RRPPs, but they are not included in this model, is also significant in this regression at 1% level.

In the second model, after the inclusion of the first control variable (corruption) the effect of the three independent variables on the dependent remains strong (cY at 5% level of significance, unemploy and ref at 1% level of significance). In this model, the coefficients are slightly bigger (- 3.1812509cY, - 0.74010653unemploy, + 0.33048561ref) and so is their effect on the dependent variable. Furthermore, we accept the same hypotheses in all three cases. Regarding, corruption, it has the expected negative effect on elections. However, in this case, we cannot reject the null hypothesis and we assume that the negative effect of corruption on elections is not statistically significant. Finally, the constant is also significant at 1% level.

After the inclusion of the second control variable (glob: KOF Globalization Index) the equation is the following (fixed effects model without time fixed effects):

```
elections = 1.4116043 - 4.3311079cY - 0.70667942unemploy + 0.30727221ref - 0.02112671Corruption + 0.06953678glob + u
```

Equation 13 1<sup>st</sup> Panel: Equation of the 3<sup>rd</sup> model

In the third model, the effect of the three independent variables on the dependent remains strong at 1% level of significance. As we see, the coefficient of cY is bigger, while those of unemploy and ref do not have important differences in comparison to the previous models. Furthermore, we accept the same hypotheses in all three cases (cY alternative at 1% level of significance, unemploy null, and ref alternative at 1% level). As in the previous model, corruption has the expected negative effect on elections. However, in this model the effect is statistically significant at 10% level and therefore, we accept the alternative hypothesis, since an increase in a country's score in this variable indicates that it is becoming more transparent. Thus, when it increases by 1 unit, elections decrease by - 0.02112671 units. Finally, the second control variable, glob has the expected positive effect on elections. Moreover, this effect is significant at the 5% level and when glob increases by 1 unit, elections increase by 0.06953678. Finally, in this model the constant is (surprisingly) not statistically significant even at the 10% level.

In the next panel data regressions, I include both the dependent and the control variables, alongside the dummy variables to investigate the effect of the dependent and control variables on the electoral success of RRPPs, during and after the Global Economic Crisis and the Refugee Crisis. The equation of the fourth model which includes the economic crisis dummy is the following (random effects model with country fixed effects):

```
elections = 3.7520621 - 3.3078746cY - 0.69509656unemploy + 0.30380028ref - 0.01709975Corruption + 0.03629847glob + 0.19679932EconomicCrisis + u + \epsilon
```

Equation 14 1st Panel: Equation of the 4th model

The equation of the fifth model which includes the refugee crisis dummy is the following (random effects model with country fixed effects):

```
elections = 1.73786 - 4.278899cY - 0.6796534unemploy + 0.294403ref - 0.0204144Corruption + 0.03629847glob + 0.0636571RefugeeCrisis + u + \epsilon
```

Equation 15 1st Panel: Equation of the 5<sup>th</sup> model

After the inclusion of the first dummy (economic crisis) we see that the three independent variables (GDP, Unemployment and Refugees / population) have the same strong effect on

the electoral success of RRPPs. Moreover, we accept the same hypotheses about their effect on populism (cY alternative at 1% level of significance, unemploy null, and ref alternative at 1% level). However, neither corruption nor globalization have a significant effect in this case and therefore, we cannot reject the null hypotheses about the significance of their effect on elections. On the contrary, when we test the model with the refugee crisis dummy, we notice that all the five variables have a strong effect on the electoral success of RRPPs. Regarding the hypotheses we accept the alternative in case of cY (at 1% level), ref (at 5% level), corruption (at 10% level) and glob (at 5%). In the case of unemploy we cannot reject the null hypothesis despite its strong negative effect on elections (we expected a positive effect). Finally, the constant variables are statistically insignificant in both cases. Regarding the dummies, we cannot assume that the impact of the independent variables on the dependent was different during these chronological periods (possibly because we are using a panel with few years). In general, the impact of the refugee crisis dummy was slightly bigger since all the dependent and control variables were statistically significant in this case. Regarding the constant, it is not statistically significant in those cases. Finally, even though both dummies have the expected positive effect on the rise, none of them has a statistically significant impact even at the 10% level.

**2<sup>nd</sup> Panel: Western Europe** (see table 4 in the appendix for the regression diagnostics and table 13 for hausman and LM test of the models after the inclusion of dummy variables):

2 <sup>nd</sup> Panel: Western Europe					
Variable	(1)	(2)	(3)	(4)	(5)
٥V	-2.4056343	-2.3464096	-2.8345371	-1.9010844	-2.940585
cY	-1.38	-1.09	-1.29	-0.98	-1.37
	- 0.47054932	37352444	4084381	42015514	3880837
unemploy	-1.26	-0.87	-1.05	-1.17	-1.07
ref	.20692421**	.32592986***	.22868126***	.21614628***	.1863881***
	2.47	3.25	2.78	2.89	2.81
Camandian		04693348***	04145931**	03440268*	0385388**
Corruption		-2.71	-2.43	-1.91	-2.24
-1-1			.0818146	.05410092	.0757332*
glob			1.6	1.28	1.72
Economic				.18446305	
Crisis				1.18	
Refugee Crisis					.1057606
					0.87

				2.639629	.9511317
constant	4.5057633***	8.9883214***	.92314398		
	4.71	4.94	0.2	0.63	0.22
	Random		Random	Random	Random
Est. method	Effects	Random Effects	Effects	Effects	Effects
Time effects	YES	NO	NO	NO	NO
Country				YES	YES
effects	YES	YES	YES		
Number of obs	225	225	225	225	225
Number of				15	15
groups	15	15	15		
R-squared	0.6464	0.6336	0.6472	0.6535	0.6497
legend: * p < 0.1: ** p < 0.05: *** p < 0.01					

*Table 19 2<sup>nd</sup> Panel: Results of the panel data regressions* 

As we see above, in all three models investigating the electoral success of RRPPs in Western Europe, cY and unemploy have a negative effect on elections in all five models (as in the case of the first panel). However, this effect is not statistically significant even at the 10% level, and we cannot reject the null hypotheses in these cases. On the contrary, the logarithm of the refugees / population ratio has a strong positive effect on elections in all the five models of this panel (we accept H1 in all five cases). Moreover, its coefficient varies from 0.1863881 (5) to 0.32592986 (2). The first control variable, corruption, has the expected negative effect on elections. Moreover, this effect is statistically significant (at least at 10% level) in all four models that include corruption and therefore we accept the alternative hypothesis in all four cases. Finally, glob has the expected positive effect on elections. However, this effect is statistically significant only in the fifth model at 10% level of significance (all variables and refugee crisis dummy): The equation of this model (all variables and refugee crisis dummy) is the following (random effects and country fixed effects):

```
elections = 0.9511317 - 2.940585cY - 0.3880837unemploy + 0.1863881ref - 0.0385388Corruption + 0.0757332 glob + 0.1057606RefugeeCrisis + u + \epsilon
```

*Equation 16 2<sup>nd</sup> Panel: Results (all variables and refugee crisis dummy)* 

## 3<sup>rd</sup> Panel: Eastern Europe

As already mentioned in 4.3.2, in the models of the third panel, there is a presence of cross-sectional dependency. To solve the problems that arise from the presence of cross-sectional dependency, I am going to perform the panel data analysis with the method proposed by Driscoll and Kraay (1998) which produces standard errors for coefficients estimated by pooled OLS or fixed-effects methods. In this approach, the error structure is assumed to be

heteroskedastic, autocorrelated up to some lag, and possibly correlated between the groups (panels). Furthermore, Driscoll-Kraay standard errors are robust to very general forms of cross-sectional ("spatial") and temporal dependence. Thus, this method is the best possible for the 3<sup>rd</sup> panel. Furthermore, it is important to mention that in this panel, there is a presence of unit-root in two variables (elections and cY) and therefore, the results are not 100% valid. The results of the third panel are the following (see appendix: table 5 for the regression diagnostics and table 14 for hausman and LM tests after the inclusion of dummy variables):

3 <sup>rd</sup> Panel: Eastern Europe					
Variable	(1)	(2)	(3)	(4)	(5)
cY	-4.8965217***	-4.7426731***	-4.7407263***	-4.47264***	-5.251063***
	-3.63	-3.43	-3.23	-2.29	-3.12
unemploy	86454677***	82803404***	82785012***	820267***	9478961***
	-8.53	-6.45	-6.28	-5.77	-4.42
#of	.38117371***	.37288305***	.37359321***	.3742473***	.3760412***
ref	6.04	5.79	3.02	3.03	3.00
Communica		.00547957	.0056026	.0057556	.004778
Corruption		0.76	0.43	0.43	0.37
alabalization			000595	0078796	.0147819
globalization			-0.01	-0.13	0.31
Economic				.0505773	
Crisis				0.47	
Refugee					1280205
Crisis					-1.08
Canatant	7.008222***	6.655896***	6.701817	7.214672	5.848386
Constant	17.63	10.13	1.53	1.52	1.46
Est. method	Random Effects	Random Effects	Random Effects	Random Effects	Random Effects
Time effects	NO	NO	NO	NO	NO
Country effects	YES	YES	YES	YES	YES
Number of obs	146	146	146	146	146
Number of groups	10	10	10	10	10
R-squared	0.8160	0.8164	0.8164	0.8165	0.8172
legend: * $p < 0.1$ ; ** $p < 0.05$ ; *** $p < 0.01$					

Table 20  $3^{rd}$  Panel: Results of the panel data regressions

In Eastern Europe, cY has a strong negative effect on elections at 1% level of significance in all five models of the panel. Therefore, we accept the alternative hypothesis in this case. The

second dependent variable, unemploy, also has a strong negative effect on elections at 1% level of significance. However, in this case we cannot reject the null hypothesis since we expected a positive effect of unemploy on elections. The logarithm of the refugee / population ratio (ref) has the expected positive effect on elections in all the five models of this panel. This effect is statistically significant at 1% level and therefore, we accept the alternative hypothesis. Regarding the control variables, neither corruption nor glob have a significant effect on elections in the 5 models of this panel and therefore, we cannot reject the null hypothesis in these cases. The constant variable has a strong positive effect on elections in the first two models (1% level of significance) but it does not have a significant effect in the other three models. Finally, the inclusion of the dummy variables does not play an important role in the results of this panel, since the coefficients, the effect and the significance remain (almost) the same. The most surprising result regarding dummies in this panel, is the negative coefficient of the refugee crisis dummy. The equation of the fifth model (all the variables and Refugee Crisis dummy) is the following (random effects model and country fixed effects):

elections = 5.848386 - 5.2510634cY - 0.94789613unemploy + 0.3760412ref + 0.004778Corruption + 0.0147819glob + u +  $\epsilon$ 

Equation 17 3<sup>rd</sup> Panel: Results (all variables and refugee crisis dummy)

#### **4.4.3** Discussion of the results

As the literature review, the theory, and the econometric models of this thesis indicate, the rise of right-wing populism and the electoral success of radical right populist parties in Europe are multi-dimensional phenomena which are explained by various political, economic, and cultural reasons.

# 1. The rise of right-wing populism in EU

The next section of this chapter focuses on the analysis and the evaluation of the econometric results in the whole of EU, alongside the examination of the hypotheses regarding the variables

#### **Gross Domestic Product**

H0: GDP does not affect the electoral results of RRPPs

H1: GDP growth has a strong negative effect on the electoral results of RRPPs

Starting with the macroeconomic factors, the panel data analysis indicated that a GDP growth has a strong negative effect on the electoral success of RRPPs in the whole of EU. Therefore, in case of GDP, we accept the alternative hypothesis, and we assume, that in general, economic growth and prosperity have a negative impact on the rise of RWP. GDP is regarded as one of the most important indicators of a country's prosperity and economic growth and its reduction is expected to fuel dissatisfaction among the citizens, because it generally indicates economic backslide. In general, dissatisfied citizens are prone to voting RRPPs because economic deprivation is often translated into dissatisfaction with the 'establishment' ('economic inequality perspective' and 'losers-of-globalization' thesis).

# Unemployment

H0: Unemployment does not affect the electoral results of RRPPs

H1: Unemployment has a strong positive effect on the electoral results of RRPPs

The second macroeconomic indicator, unemployment, was also expected to fuel RWP. However, the results of the panel data analyses are surprising in this case. In all the 5 models of the 1<sup>st</sup> panel (even in the model with the economic crisis dummy) unemployment has a strong negative effect on the electoral success of RRPPs (at 1% and 5% levels of significance). Therefore, in case of unemployment, we reject the alternative hypothesis, and we assume that it did not fuel the rise of RWP in the chronological period of the panel analysis. This result was unexpected, since the economic inequality perspective and the 'loser-of-globalization-thesis explain that dissatisfied people who either lost their jobs or saw a reduction on their earnings during and after the Global Financial Crisis (the so-called 'left-behinds'), are possible voters pf RRPPs.

A possible explanation of this surprising result is the fact that sometimes, governments take measures (reduction of the minimum wage etc.) in order to achieve a 'contrived' reduction of unemployment (mainly to avoid the political cost) without giving substantial solutions to the problem. Therefore, the citizens who are still disappointed (since they are underpaid) may vote for RRPPs despite the fact they are not unemployed (however, this explanation is hypothetical and an econometric analysis with more economic variables is necessary in order to prove this argument). Another possible explanation is the fact that in many European countries (entities of the panel), unemployment only increased during the Global Financial Crisis of 2008 and the Eurozone Crisis that followed suit. Other than that, the countries bounced back quickly but the rise of RWP did not stop. The following figure (8) is very

characteristic and explains these surprising results of the panel data analysis. As we see, from 2005 to 2019, the electoral results of RRPPs are on a steady rise (average of the 25 case - studies of the panel data analysis) while unemployment fluctuates. Therefore, both according to the data and the results of the panel data analysis, we assume that unemployment does not have any impact on the rise of RWP (at least in a grouped panel. However, it may have a positive impact in a specific country).

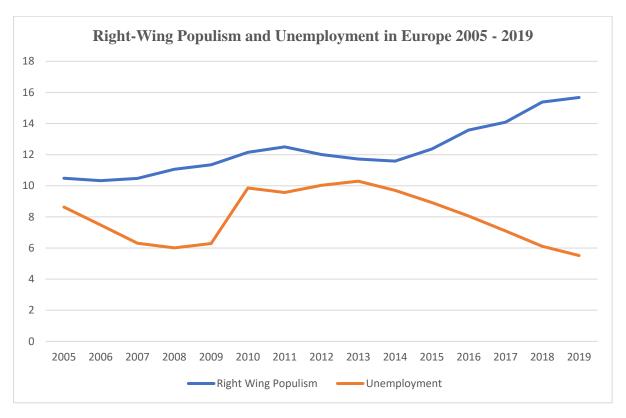


Figure 8 Right-Wing Populism and Unemployment in Europe 2005 - 2019. Source by author (Data from Timbro Authoritarian Populism Index and World Bank)

# Refugees / population ratio. Hypotheses:

H0: The number of refugees does not affect the electoral success of RRPPs

H1: An increase on the number of refugees has a strong positive effect on the electoral success of RRPPs

According to the results of all the five models, the third independent variable, the logarithm of refugee / population ratio, has a strong positive effect on the electoral success of RRPPs. Therefore, in case of the refugee flows, we accept the alternative hypothesis, and we assume that an increase on the number of refugees in EU has fueled the rise of RWP in the chronological period of the analysis (2005 - 2019).

In this case, the results follow the theory, since an increase in the number of refugees in a country (mainly as a consequence of the refugee crisis) is considered as one of most important reasons for the rise of RWP. As we mentioned above, for RRPPs, the refugees are the enemies ('them') who pose a threat to the 'pure' nationals ('us'). Moreover, nativism and anti-immigration are core characteristics of RRPPs, and their main goals are focusing on stopping or at least minimizing immigration flows from the developing countries to the EU and on the re-establishment of ethnically homogeneous nation-states. Therefore, RRPPs used nativist rhetoric, scapegoated immigrants and generally 'capitalized' on the refugee crisis to achieve electoral success. The results of the panel data analysis indicate that they achieved their goals, and convinced more voters that immigration is a threat to the cultural values and the homogeneity of the nation – state (in some cases and especially in countries which were seriously affected by the Economic Crisis, refugees are also presented as a threat because they would look for jobs).

## Corruption

H0: Transparency does not affect the electoral results of RRPPs

H1: Transparency has a strong negative effect on the electoral results of RRPPs

The first control variable of the panel is corruption. In general, corruption fuels political distrust and disappointment with the 'establishment' (political status quo) since transparency (low levels of corruption) is one of the main pillars of quality of governance. Therefore, we expected that this variable would have a negative effect on the rise of RWP (the more transparent a country, the smaller the possibility to vote for RRPPs). According to the results of the models, this variable has the expected negative on the rise of RWP. However, the significance of this impact varies. It had a strong negative effect on the rise of RWP only after we included the second control variable (globalization). Regarding the models that we included the dummy variables, its effect was significant only in the model with the refugee crisis dummy. Therefore, in this case we accept the alternative hypothesis, that generally, corruption has a positive effect on the rise of RWP in EU. However, according to the results, this impact is significant only in case it is combined with other factors that may further fuel dissatisfaction and distrust among citizens.

#### Globalization

H0: Globalization does not affect the electoral results of RRPPs

H1: Globalization has a strong positive effect on the electoral results of RRPPs

The last control variable of the panel is globalization. According to the results of the three models which investigated the effect of this factor, we accept the alternative hypothesis regarding globalization, and we assume that it has a positive impact on the rise of RWP in the whole of EU. In general, right-wing populists are characterized by anti-globalization rhetoric and this phenomenon is often presented as one of the main reasons for cultural backlash and economic inequality, while many scholars characterize the voters of RRPPs as the 'losers of globalization'. Moreover, it is presented as a threat to the national identity and the cultural values and therefore, it is quite possible that traditionalists would be prone to voting for RRPPs in more globalized societies (and especially after the two major crises). Therefore, in case of this variable, the results of the panel data analysis follow the theory since they indicate a positive effect of globalization on the electoral success of RRPPs and consequently on the rise of right-wing populism.

## 2. Comparative analysis between Western and Eastern Europe

According to the results of the econometric analysis in Western Europe, the economic factors did not have a significant effect on the rise of RWP and therefore, we cannot reject the null hypothesis in these cases. On the contrary, refugee / population ratio, corruption and globalization had a strong positive effect on the rise, and we accept the alternative hypothesis in all three of them.

Therefore, we assume that corruption and globalization are possible reasons for the rise of Right-Wing Populism in Western Europe, and we mention that the empirical results follow the theory regarding the impact of these factors. However, economic factors did not have a significant impact on the electoral success of radical right populist parties in Western Europe. As already mentioned, many scholars agree with these findings since they highlight the importance and the impact of cultural and political reasons on the rise of RWP. Finally, immigration (especially from Muslim countries) is considered as the driving force of RWP in Western European countries, and this argument is proven by the results of the panel data analysis of this thesis.

Contrary to Western Europe, in Eastern European countries, both the economic factors had a strong negative effect on the rise of RWP. Therefore, in case of GDP we accept the alternative hypothesis, and we assume that GDP growth has a negative effect on the rise of RWP. On the contrary, in case of unemployment we accept the null hypothesis. Regarding the refugee / population ratio, we accept the alternative hypothesis, and we assume that it has a strong

positive effect on the rise of RWP. Finally, according to the results, neither corruption nor globalization had a significant effect on the electoral success of RRPPs in this region and we cannot reject the null hypothesis in any of them.

In general, we notice that there are several differences regarding the rise of RWP in the two regions. Except from the number of refugees which fuels the electoral success of RRPPs in both regions, all the other variables indicate different significance and effect of the examined factors. A possible explanation is that RRPPs are more successful in Eastern Europe, and in countries like Hungary (Fidesz), Poland (PiS), and Slovenia (Slovenian Democratic Party) the right-wing populists govern, while they have also been members of governing coalitions in Latvia, Slovakia, and Bulgaria. Therefore, the difference on the impact of some factors is not surprising. For instance, while corruption (as an indicator of quality of governance) is generally expected to fuel RWP in countries where RRPPs are in opposition, in Eastern Europe corruption and low quality of governance are often presented as consequences of the rise of RWP (Bugaric, 2008; Fazekas & Toth, 2016; Kossow, 2019). Another possible explanation of this difference may stem from the communist past of the Eastern European countries, their structural differences with the Western European countries and the fact they are newer EU member-states. However, these are only assumptions and according to the results, it is necessary to investigate the effect of more factors to draw valuable conclusions about the rise of RWP in the eastern part of the Union. This analysis answers the second research question of this thesis, regarding the differences on the rise between the two regions.

Conclusively, even though the selected reasons are quite useful for the analysis of the electoral success of RRPPs in the whole of EU and Western Europe, more factors are necessary in order to draw valuable conclusion not only about Eastern Europe but also about Western Europe and the whole of EU. This assumption mainly stems from the fact that the theoretical approaches of RWP mention that there are multiple other reasons for the rise of RWP.

#### 3. Research questions and main hypotheses

The following part of this section answers the main research question of this thesis (the second research question regarding the differences of the two regions and the third regarding the effect of globalization and corruption are answered above). The main research question focused on the impact of economic and refugee crises on the rise of RWP and it is the following:

If and to what extent did the economic and the refugee crises fueled the electoral success of RRPPs and the rise of right-wing populism.

According to the results of the panel data analyses regarding GDP and Unemployment we assume that the economic factors are not the most important reasons for the electoral success of RRPPs in Europe. Even though GDP had the expected negative effect on the rise of RWP, the results regarding unemployment were surprising since its expected positive impact was disproved by the results of the econometric analysis. Therefore, in case of Economic Crisis, we assume that it was not one of the primary reasons for the rise of RWP; at least regarding the macroeconomic indicators included in this thesis, since it was a huge event with multiple consequences that may have played a role on the rise of RWP (not only economic, but also political and social). In fact, the positive impact of globalization (in this thesis we used an index that captures political, economic, and cultural globalization) in the electoral success of RRPPs indicates that some parameters of economic crisis (e.g., the 'loser of globalization thesis) may have played a role on the rise of RWP. Regarding the theoretical approaches of the role of economic crisis, as we mentioned above (literature review and methodology), many scholars mention that it mainly fueled the electoral success of left-wing populists (as in the case of Greece and Spain) and they focus on cultural and political factors as the most important reasons of the rise of RWP. The hypotheses regarding Economic Crisis were the following:

#### H0: Economic crisis did not affect the rise of RWP

## H1: Economic crisis had a strong positive effect on the rise of RWP

Therefore, according to the results of the panel data analyses, we cannot reject the null hypothesis and we assume that Economic Crisis did not play a major role in the rise of RWP.

Regarding the second part of this question about the impact of the refugee crisis, the results of all the models which were investigated in the Panel Data analysis indicate a strong positive effect of refugee flows on the electoral success of RRPPs. This result is actually explained by the fact that the rhetoric and the stance of RRPPs is characterized as xenophobic and nativist, while all of them focus on two main and complementary goals: the first one is to stop or at least minimize immigration flows from the developing world to the countries of the EU while the second is the re-establishment of ethnically homogeneous nation-states. Moreover, their arguments against immigrants, refugees or "illegal immigrants" focused on the topics like the

economic cost of immigration, the increase of crime rates and violence, the necessary enforcement of "law and order", and the necessity for closed-borders policies.

Therefore, in the face of Europe's biggest refugee crisis since WWII, anti-immigrant RRPPs took advantage of this situation and scapegoated refugees (them) for stripping prosperity, job opportunities, and public services from the 'pure' citizens of the nation (us). Moreover, they presented refugees as a threat to the cultural values and national identity, capitalized the crisis and achieved significant electoral success. In fact, the electoral success of RRPPs in the aftermath of Refugee Crisis, was one of the main factors of the normalization of RRPPs and their ideas since it has led many mainstream political parties to shift their positions on immigration to the right. Regarding the hypotheses about the role of refugee crisis on the rise of right-wing populisms, these are the following.

# H0: Refugee crisis did not affect the rise of RWP

# H1: Refugee crisis had a strong positive effect on the rise of RWP

Therefore, according to the results, the theory, and the analysis we accept the alternative hypothesis, and we assume that refugee crisis had a strong positive effect on the rise of RWP.

# 5. Conclusions

Inspired not only by the electoral success of Radical Right Populist Parties but also from their normalization, this thesis focused on the examination of the rise of Right-Wing Populism in European Union and investigated some possible reasons why RRPPs have been so successful in the 21st century. To answer this question, this thesis identified some of the main factors contributing to the rise of Right-Wing Populism and examined their impact on the electoral success of RRPPs in Europe via Panel Data Analysis.

Considering that the rise of RWP is a multidimensional phenomenon which is explained by many factors and events, it was impossible to perform an econometric analysis which includes every single reason of the rise. Moreover, the fact that I used a Panel Data analysis which groups the case-studies and provides results for the countries altogether made it necessary to focus on reasons which affected most of the EU member-states, fueled disappointment and insecurity among the citizens and provided 'fertile ground' for right-wing populists. Thus, country-focusing reasons were not selected since their analysis in a panel would be meaningless.

Therefore, the dependent variable, Radical Right Populist parties' electoral performance in the national parliaments of the case-studies, was measured against GDP, unemployment, immigration, corruption, and globalization, in three different panels focusing on the whole of EU, Western and Eastern Europe respectively. The results of the panel data analysis showed that immigration fuels the electoral success of RRPPs both in the whole of EU and in the region-focusing panels (Western and Eastern Europe), while the impact of the economic factors varies. Finally, corruption and globalization generally fuel RWP in Western Europe and the whole of EU, while they did not affect the electoral success of RRPPs in Eastern Europe.

The independent variables of the panel data analysis not only examined the role of economic factors (GDP and unemployment) but were also used as indicators of the effect of the Global Financial Crisis while the role of immigration and the refugee/population ratio was also used as an indicator of the Refugee Crisis of 2015. Therefore, the first research question of this thesis was the following:

If and to what extent did the economic and the refugee crises fuel the electoral success of RRPPs and consequently the rise of Right-Wing Populism

In the performed panel data analyses, the macroeconomic indicators provided mixed results regarding their impact on the electoral success of RRPPs. Therefore, we rejected the alternative hypothesis and we assumed that the economic crisis did not play an important role on the electoral success of RRPPs (at least its economic consequences).

In case of the refugee crisis, the panel data analysis indicated that the increase in the refugee populations in Europe played an important role on the electoral success of RRPPs. Therefore, we accepted the alternative hypothesis, and we assume that the refugee crisis fueled the rise of right-wing populism in Europe. In fact, this hypothesis also agrees with the theoretical approaches of the rise of RWP which present refugee crisis as one of the most important reasons for the electoral success and the normalization of RRPPs. However, in order to draw fully precise conclusions about this hypothesis more variables would be useful (e.g., a measurement of the anti-immigrant sentiments of the citizens).

The second part of the methodology of this thesis focuses on a comparative analysis of the rise of RWP in Western and Eastern Europe and it was the following:

Which are the main differences between the Western and the Eastern regions of the EU, regarding the rise of RWP?

According to the results of the panel data analysis, the refugee flows play an important role on the rise of RWP in both regions. However, the effect of all the other investigated factors was completely different. On the one hand, the economic factors provided statistically significant results only in Eastern Europe. On the other, corruption and globalization did exactly the opposite. According to the results, they do play an important role in the rise of RWP in Western Europe, while they do not affect it at all in the Eastern part of the Union. Even though this thesis provides some conclusions about this question in general, further research is necessary in order to draw valuable conclusions about the differences of the two regions.

Despite the importance of economic factors and immigration, the rise of RWP is a multidimensional phenomenon which is due to many reasons. Therefore, the analysis of its rise only in the context of these factors (and the two crises) would be a mistake since there are multiple other reasons that fueled the electoral success of RRPPs the last 15 years. Such reasons are the rampant globalization (and its negative consequences), the quality of governance, the distrust to the political status quo (political "elites"), the structural problems of the EU (that fueled Euroscepticism) and so on. Therefore, I decided to include two more variables in the panel data analysis, in order to examine as many possible reasons as possible.

The selected variables investigated the impact of globalization and corruption. According to the results, both these variables have a positive effect on the electoral success of RRPPs in the whole of EU and in Western Europe, while they do not affect the electoral performance of RRPPs in Eastern Europe (in case of corruption the results are not fully trustworthy because of the concerns regarding this index which are mentioned in the relevant section: 4.2.5).

Conclusively, the panel data analysis helped us draw some valuable conclusions about the rise of RWP and the reasons why RRPPs have been so successful in the 21st century. However, the investigation of the role of more factors (e.g., anti-immigrant sentiment of the citizens, Euroscepticism) is necessary since the rise of right-wing populism is a multidimensional phenomenon which is explained by multiple factors and events.

The known limitations mainly stem from the complexity of the panel data analysis. The necessity to use variables with enough data for all the countries and all the years of the panel led to the exclusion of some factors which are considered to be important for the electoral success of radical right populist parties mainly due to the lack of data either for some of the countries of the panel or for some of the years. The second limitation mainly stems from the proper selection of the dependent variable. Even though Timbro Authoritarian Populist Index 2019 is one of the most comprehensive index of populism worldwide and has been used multiple times as an indicator of the rise of RWP in Eastern and Western Europe, the fact that it is based only on the electoral results of the national parliament concerned me, mainly because of the gaps between electoral periods (TAP uses the last observation carried forward in order to fill these gaps).

Therefore, my proposals for further empirical research regarding Right-Wing Populism are two. The first one should focus on the rise solely in Eastern Europe using public opinion surveys and investigating perceptions on immigration, Euroscepticism, and cultural values (traditionalism). The second proposal for further research is a two-dimensional econometric analysis of the consequences of the rise of RWP in the countries where RRPPs rule. On the one hand, this analysis would focus on core elements of the liberal democracy like the Rule of Law, media freedom and human rights in order to evaluate if and to what extent are RRPPs a threat to the liberal democracy. On the other, it would focus on public perceptions in order to evaluate what the people think about their populist governments. Finally, it would be useful is the study is repeated after the end of the pandemic in order to examine how the economic, political and social consequences of this public health crisis changed the impact of the investigated factors on the electoral success of RRPPs.

Other than that, my third proposal for further research, is a qualitative analysis (since there are not enough data yet) regarding the stance of right-wing populists during the pandemic of Covid-19. This analysis would focus on their stance on conspiracy theories, their opinions regarding the vaccine and the measures they took in countries where they rule in order to find out if they try to take advantage of emergency situations and crises in order to undermine core principles of liberal democracy like human rights, press freedom and rule of law.

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# Appendix

**Table 1: Summary of descriptive statistics, Western Europe** 

Variable		Mean	Std. Dev.	Min	Max	Obs.
	overall	2,268806	.7418784	.3364722	3,427515	N = 225
elections	between		.565514	1,363168	3,373798	n = 15
	within		.500565	.6406346	3,470587	T = 15
	overall	-3.27e-11	.0289555	1052471	.0905372	N = 225
gdp	between		1.36e-10	-3.65e-10	1.55e-10	n = 15
	within		.0289555	1052471	.0905372	T = 15
	overall	1,882964	.4364595	.9122827	3,313095	N = 225
unemploy	between		.3681205	1,252734	2,76024	n = 15
	within		.2519002	1,102033	2,582768	T = 15
	overall	-5,586153	.9667224	-8,949897	-3,701991	N = 225
ref	between		.7936514	-7,42356	-4,368574	n = 15
	within		.586547	-7,1339	-3,05443	T = 15
	overall	76,21333	15,22653	34	96	N = 225
Corruption	between		15,36641	42,46667	91,6	n = 15
	within		32,37062	67,74667	85,88	T = 15
	overall	86,29451	3,342146	73,51923	90,98389	N = 225
glob	between		3,175661	80,44874	89,47552	n = 15
	within		1,309738	79,365	89,51596	T = 15

 Table 2: Summary of descriptive statistics, Eastern Europe

Variable		Mean	Std. Dev.	Min	Max	Obs.
	overall	2,470051	1,228171	-1,609438	4,242764	N = 146
elections	between		1,07465	.4790225	4,076408	n = 10
	within		.6790284	.3815901	4,870227	T-bar = 14.6
	overall	1.91e-10	.0467231	1173467	.1465444	N = 150
gdp	between		3.33e-10	-3.53e-10	6.83e-10	n = 10
	within		.0467231	1173467	.1465444	T = 15
	overall	2,10466	.4364282	.6981347	2,969388	N = 150
unemploy	between		.253814	1,61494	2,462013	n = 10
	within		.3634571	1,187854	2,911972	T = 15
	overall	-8,5541	1,310771	-14,28395	-5,832801	N = 150
ref	between		1,061554	-10,396	-6,854526	n = 10
	within		.8349299	-12,44204	-6,245365	T = 15
	overall	51,92667	9,122652	33	74	N = 150
Corruption	between		8,074679	39,93333	67,73333	n = 10
	within		4,914117	32,66	61,66	T = 15
	overall	79,53755	3,402769	68,87815	85,36086	N = 150
glob	between		2,823581	74,71054	84,16184	n = 10
	within		2,086943	72,87982	84,94657	T = 15

**Table 3 Regression Diagnostics: 1st Panel with Dummy Variables** 

Regression Diagnostics					
Diagnostic tests	(4)	(5)			
Wooldridge test for autocorrelation	F (1, 24)	F(1, 24)			
	1779.101***	1977.310***			
Modified Wald test for groupwise heteroskedasticity	chi2(25)	chi2(25)			
	2672.33***	3251.34***			
Pesaran's test of cross-sectional independence	0.001	0.213			
Multicollinearity Test	2.35	2.26			
legend: * p < 0.1; ** p < 0.05; *** p < 0.01					

**Table 4 Regression Diagnostics: 2nd Panel with Dummy Variables** 

Regression Diagnostics					
Diagnostic tests	(4)	(5)			
Wooldridge test for autocorrelation	F (1, 14)	F(1, 14)			
	1024.549***	2399.063***			
Modified Wald test for groupwise heteroskedasticity	chi2(15)	chi2(15)			
-	796.85***	717.35***			
Pesaran's test of cross-sectional independence	-1.129	-1.520			
Multicollinearity Test	2.07	2.02			
legend: * p < 0.1; ** p < 0.05; *** p < 0.01					

**Table 5 Regression Diagnostics: 3rd Panel with Dummy Variables** 

Regression Diagnostics					
Diagnostic tests	(4)	(5)			
Wooldridge test for autocorrelation	F (1, 9)	F(1, 9)			
	439.198***	639.14***			
Modified Wald test for groupwise heteroskedasticity	chi2(10)	chi2(10)			
	452.00***	689.45***			
Breusch – Pagan LM test for cross-sectional dependence	110.783***	109.065***			
Multicollinearity Test	1.81	1.74			
legend: * p < 0.1; ** p < 0.05; *** p < 0.01					

Table 6: Shapiro-Wilk W test for normal data. 1st Panel

Shapiro-Wilk W test for normal data					
Variable	Obs	W	V	Z	Prob>z
electoralresultsTimbro	375	0.81389	48.361	9.201	0.00000
GDPc~2010100	375	0.96075	10.198	5.509	0.00000
Unemployment	375	0.86264	35.694	8.481	0.00000
refugeepopulation	375	0.77285	59.026	9.674	0.00000
Corruption	375	0.93642	16.521	6.654	0.00000
glob	375	0.95557	11.546	5.803	0.00000

Table 7: Skewness and Kurtosis test. 1st panel

Skewness and Kurtosis test					
Variable	Obs	Pr(Skewness)	Pr(Kurtosis)	adj chi2(2)	Prob>chi2
electoralresultsTimbro	375	0.0000	0.0000		0.00000
GDPc~2010100	375	0.0000	0.0023	23.83	0.0000
Unemployment	375	0.0000	0.0000		0.00000
refugeepopulation	375	0.0000	0.0000		0.00000
Corruption	375	0.5246	0.0000		0.0000
glob	375	0.0003	0.0038	18.20	0.0001

Table 8: Shapiro-Wilk W test for normal data.  $2^{nd}$  Panel

Shapiro-Wilk W test for normal data					
Variable	Obs	W	V	Z	Prob>z
electoralresultsTimbro	375	0.81389	48.361	9.201	0.00000
GDPc~2010100	375	0.96075	10.198	5.509	0.00000
Unemployment	375	0.86264	35.694	8.481	0.00000
refugeepopulation	375	0.77285	59.026	9.674	0.00000
Corruption	375	0.93642	16.521	6.654	0.00000
glob	375	0.95557	11.546	5.803	0.00000

Table 9: Skewness and Kurtosis test. 2<sup>nd</sup> Panel

Skewness and Kurtosis test					
Variable	Obs	Pr(Skewness)	Pr(Kurtosis)	adj chi2(2)	Prob>chi2
electoralresultsTimbro	375	0.0000	0.0000		0.00000
GDPc~2010100	375	0.0000	0.0023	23.83	0.0000
Unemployment	375	0.0000	0.0000		0.00000
refugeepopulation	375	0.0000	0.0000		0.00000
Corruption	375	0.5246	0.0000		0.0000
glob	375	0.0003	0.0038	18.20	0.0001

Table 10: Shapiro-Wilk W test for normal data.  $3^{rd}$  Panel

Shapiro-Wilk W test for normal data					
Variable	Obs	W	V	Z	Prob>z
electoralresultsTimbro	150	0.84797	17.689	6.513	0.00000
GDPc~2010100	150	0.97150	3.317	2.718	0.00328
Unemployment	150	0.96150	4.479	3.399	0.00034
refugeepopulation	150	50.433	50.433	8.888	0.00000
Corruption	150	0.98375	1.890	1.443	0.07444
glob	150	0.97192	3.267	2.684	0.00364

Table 11: Skewness and Kurtosis test. 3<sup>rd</sup> Panel

Skewness and Kurtosis test					
Variable	Obs	Pr(Skewness)	Pr(Kurtosis)	adj chi2(2)	Prob>chi2
electoralresultsTimbro	150	0.0000	0.0225	27.57	0.00000
GDPc~2010100	150	0.0354	0.7624	4.59	0.1006
Unemployment	150	0.0020	0.8639	8.61	0.0135
refugeepopulation	150	0.0000	0.0000		0.00000
Corruption	150	0.2642	0.0461	5.19	0.0746
glob	150	0.0055	0.7105	7.27	0.0263

Table 12: Fixed, random, or Pooled OLS (1st Panel with dummy variables)

Fixed, random or Pooled OLS (1st Panel: 25 countries)					
Model	(1)	(2)			
Hausman test	7.96	9.84			
Result	Random effects	Random effects			
LM test for random effects	1068.27***	1045.45***			
Result Random effects Random effects					
legend: * $p < 0.05$ ; ** $p < 0.01$ ; *** $p = 0.00$					

Table 13: Fixed, random, or Pooled OLS (2<sup>nd</sup> Panel with dummy variables)

Fixed, random or Pooled OLS (2 <sup>nd</sup> Panel: 15 countries)			
Model	(1)	(2)	
Hausman test	2.51	3.43	
Result	Random effects	Random effects	
LM test for random effects	419.94***	410.68***	
Result	Random effects	Random effects	
legend: * p < 0.05; ** p < 0.01; *** p = 0.00			

Table 14: Fixed, random, or Pooled OLS (3<sup>rd</sup> Panel with dummy variables)

Fixed, random or Pooled OLS (3 <sup>rd</sup> Panel: 10 countries)			
Model	(1)	(2)	
Hausman test	0.69	0.98	
Result	Random effects	Random effects	
LM test for random effects	453.31***	454.90***	
Result	Random effects	Random effects	
legend: * p < 0.05; *** p < 0.01; *** p = 0.00			

Table 15: Electoral results of RRPPs in Europe: 2019 (as presented in figure: 3)

Country	Electoral results of RRPPs (2019)
Austria	16,2
Belgium	12
Denmark	12,9
Finland	18,6
France	14,4
Germany	13
Greece	6,6
Italy	22,8
Luxembourg	8,3
Norway	15,3
Netherlands	16,9
Portugal	1,6
Romania	3,8
Spain	15,1
Sweden	17,8
Switzerland	26,7
United Kingdom	2,9
Bulgaria	14,4
Croatia	10,9
Czech RP	12
Estonia	17,8
Hungary	68,6
Latvia	25,5
Lithuania	14,2
Poland	50,4
Slovakia	23,2
Slovenia	29,8

### **Figures**

**Part 1:** Unusual and Influential Data before the transformation of variables (Electoral results, GDP, Unemployment and Refugee / population ratio) into logarithms (1<sup>st</sup> Panel: 25 countries):

Figure 1: Kernel density estimation of the residuals

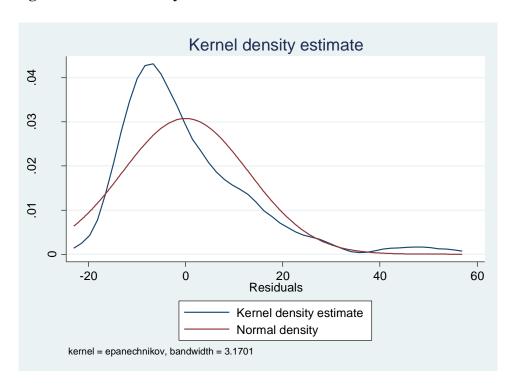


Figure 2: Standardized normal probability plot

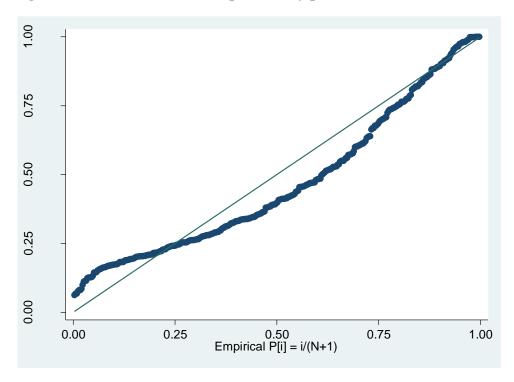


Figure 3: Quantiles of residuals against quantiles of normal distribution

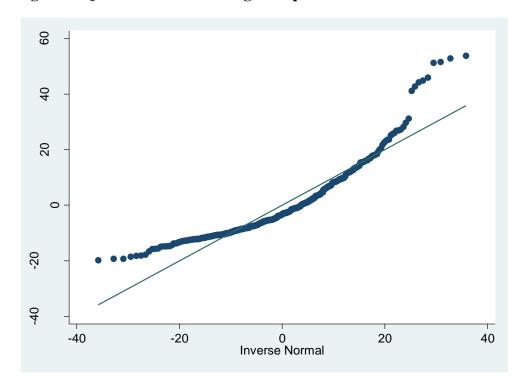
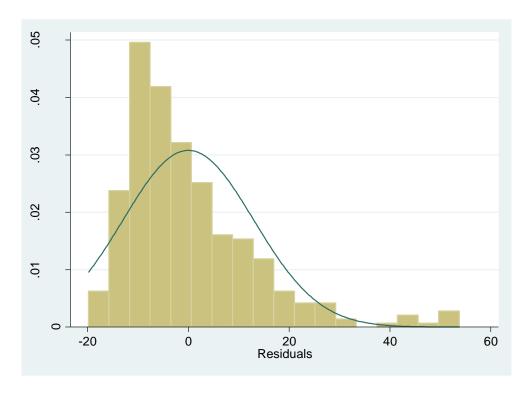
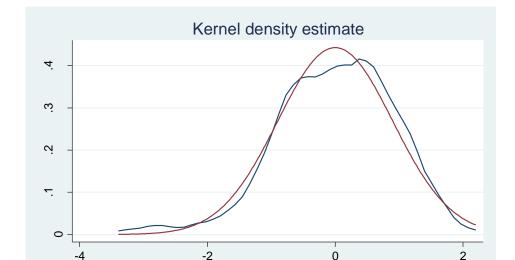


Figure 4: Histogram of Standard Residuals



### Part 2

Unusual and Influential Data after the transformation of variables (Electoral results, GDP, Unemployment and Refugee / population ratio) into logarithms (elections, cY, unemploy, ref) (1<sup>st</sup> Panel: 25 countries). The improvement of all the four plots indicates that the transformation of the variables into logarithms was necessary):

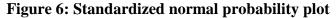


Residuals

Normal density

Kernel density estimate

Figure 5: Kernel density estimations of the residuals



kernel = epanechnikov, bandwidth = 0.2484

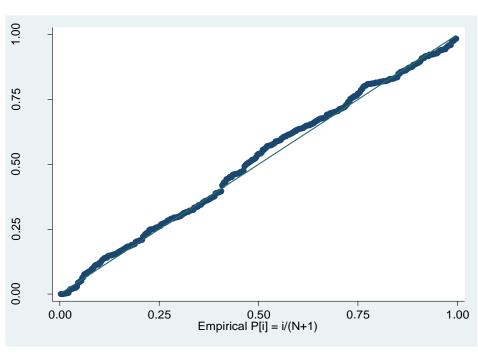


Figure 7: Quantiles of residuals against quantiles of normal distribution

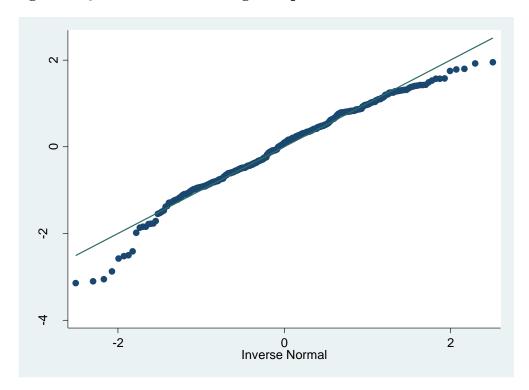
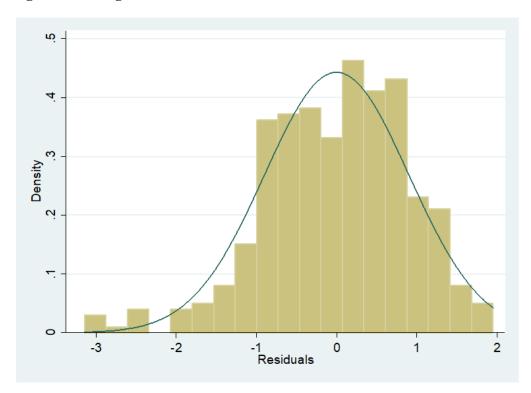


Figure 8: Histogram of Standard Residuals



## **Declaration of Authorship**

I hereby certify that this thesis has been composed by me and is based on my own work unless stated otherwise. No other person's work has been used without due acknowledgment in this thesis. All references and verbatim extracts have been quoted and all sources of information, including graphs and data sets, have been specifically acknowledged.

Date: 23/11/2021

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