

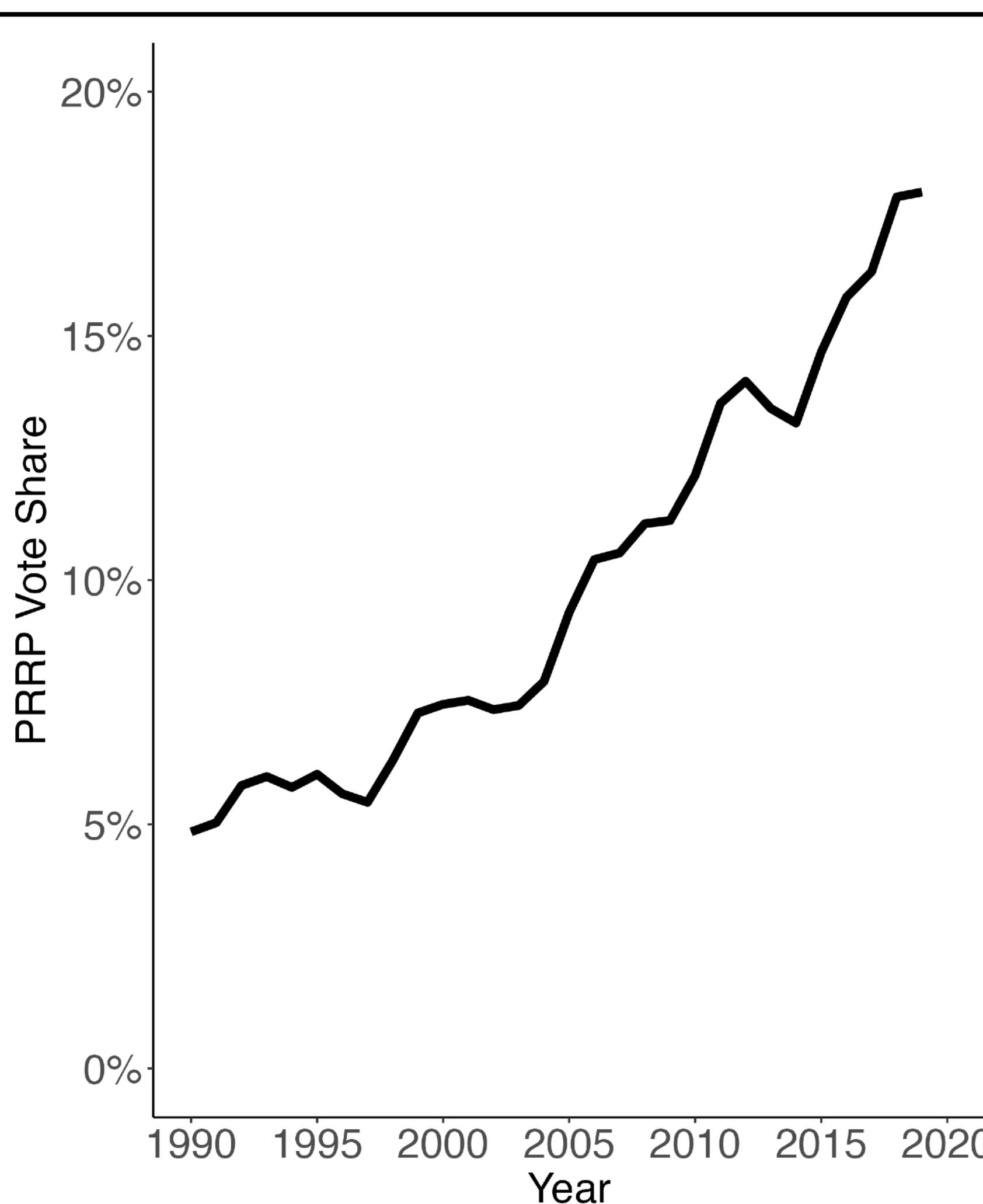
# Decomposing the Rise of the Populist Radical Right

Oren Danieli, Noam Gidron, Shinnosuke Kikuchi, Ro'ee Levy

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# Rise of Populist Radical Right

## Avg Voting Share for PRRP



- ▶ Surge of **Populist Radical Right Parties (PRRP)** in Europe
- ▶ Widespread implications
  - ▶ Joining/leading govt.
  - ▶ Affect policies
  - ▶ Erode democratic norms
- ▶ **No consensus on main drivers**

# Goal: Decomposing the Rise of PRRP

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- **Supply: Party Positions**
  - Ex. Mainstream parties shift too much to the left
- **Demand 1: Voters' demographics/opinions (“Voter Characteristics”)**
  - Ex. Growing hostility towards immigrants
- **Demand 2: Priorities at the ballot (“Voter Priorities”)**
  - Ex. Voters prioritize cultural issues more

# What We Do

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- **Merge** wide datasets on parties (CMP) and voters (WVS/IVS)
- **Estimate** voter priorities with a probabilistic voting model
- **Quantify** relative importance of each component
  - Decomposition method—common in Labor Economics (Inequality)

**Finding:** Voter priorities drive a large share (53%) of the recent PRRP rise

# Contribution

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- **Demonstrate that decomposition is an useful descriptive method**
  - Common in Labor, especially for inequality: (Juhn et al., 1993; DiNardo et al., 1996; Fortin et al., 2011)
- **Know the What/How PPRP rise (which is important for knowing the Why PRRP rise)**
  - **Reject theories that are inconsistent with facts**
    - Supply: (Akkerman, 2015; Berman, 2021; Berman and Kundnani, 2021; Zeira, 2022)
    - Demand I: Voter characteristics (Hangartner et al., 2019)
    - Demand II: Voter priorities (Bartels, 2017; Sides et al., 2019; Magistro and Wittstock, 2021)
  - **Provide mechanisms for reduced-form analysis:** Tech., Financial Crises, Trade, Media,...
- **Empircs on theory lit. on growing importance of cultural issues:** (Enke, 2020; Bonomi et al., 2020)

# Today's Plan

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1. Data & Framework

2. Results

(a) Party Positions

(b) Voter Characteristics

(c) Voter Priorities

# Data: Parties

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- ▶ CMP (Comparative Manifesto Project)
  - ▶ Share of sentences in manifesto (party platform) discussing topics in each lower-house election
  - ▶ For many issues positive and negative mention counted separately
  - ▶ This paper
    - ▶ Use all the 56 party positions [Sum Stat](#)
    - ▶ Show results using two established indices
      - ▶ “Economics” and “Cultural” positions [Econ Indices](#) [Cultural Indices](#)

# Data: Voters

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- ▶ Integrated Values Survey
  - ▶ Combination of the World Values Survey (WVS) and the European Values Survey (EVS)
  - ▶ Three waves: 2005-2009, 2011-2013, 2017-2020
  - ▶ Over 100 variables that exist for vast majority of country-waves [Sum Stat](#)
- ▶ Demographics
- ▶ Opinions
- ▶ Supported Parties

# Model: Probabilistic Voting Model

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- ▶ Utility of voter  $i$  from party  $j$

$$U_{ij} = z_j' w_i(x_i) + \zeta_j + \varepsilon_{ij}$$

- ▶ Party positions:  $z_j = \{z_j^1, \dots, z_j^L\}$
- ▶ Voter's weights:  $w_i(x_i) = \{w_i^1, \dots, w_i^L\}$
- ▶ Party's valence:  $\zeta_j$
- ▶ Similar to a bliss point model

[Details](#)

# Voting Weights

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- ▶ Demand: voting weights

$$w_i(x_i) = x_i\phi + \beta$$

- ▶ Linear function of voter characteristics  $x_i$  with parameters  $\phi, \beta$
- ▶  $x_i$ : opinions and demographics, directly observed in IVS
- ▶  $\phi, \beta$ : how characteristics map to weights
- ▶ Estimated [Estimation Details](#)

# Predict PRRP vote share

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- ▶ PRRP vote share at time  $t$

$$S_t = \int P(\Pi | x_i ; \theta_t, Z_t, \zeta_t) f_t(x_i) dx_i$$

- ▶  $P(\Pi | x_i)$ —prob. of voting for PRRP

- ▶  $Z_t = \{z_{j,t}\}_{j \in J(c,t)}$  : matrix of party positions  $z_j$  at time  $t$

- ▶  $f_t(x_i)$  : density of voter characteristics at time  $t$

- ▶  $\theta_t = (\phi_t, \beta_t)$  : set of priority parameters

- ▶  $\zeta_t = \{\zeta_{j,t}\}_{j \in J(c,t)}$  : vector of residuals (including party entry)

# Decomposing Changes in PRRP Support

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$$\begin{aligned}\Delta_t^{t+1} S &= \int P(\Pi | x_i; \theta_{t+1}, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i - \int P(\Pi | x_i; \theta_t, Z_t, \zeta_t) f_t(x_i) dx_i && \textbf{Total} \\ &= \int P(\Pi | x_i; \theta_t, Z_t, \zeta_{t+1}) f_t(x_i) dx_i - \int P(\Pi | x_i; \theta_t, Z_t, \zeta_t) f_t(x_i) dx_i && \text{Residual} \\ &\quad + \int P(\Pi | x_i; \theta_t, Z_{t+1}, \zeta_{t+1}) f_t(x_i) dx_i - \int P(\Pi | x_i; \theta_t, Z_t, \zeta_{t+1}) f_t(x_i) dx_i && \textbf{Party Positions} \\ &\quad + \int P(\Pi | x_i; \theta_t, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i - \int P(\Pi | x_i; \theta_t, Z_{t+1}, \zeta_{t+1}) f_t(x_i) dx_i && \textbf{Voter Characteristics} \\ &\quad + \int P(\Pi | x_i; \theta_{t+1}, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i - \int P(\Pi | x_i; \theta_t, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i && \textbf{Voter Priorities}\end{aligned}$$

# Limitation, Clarifications, and Caveat

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## 1. Descriptive Analysis

- Not causal, components could affect each other
- Guide future causal analysis

## 2. No strategic considerations

- Coordination effects, barriers to entry
- Attribute to the residual

## 3. No turnout

# Today's Plan

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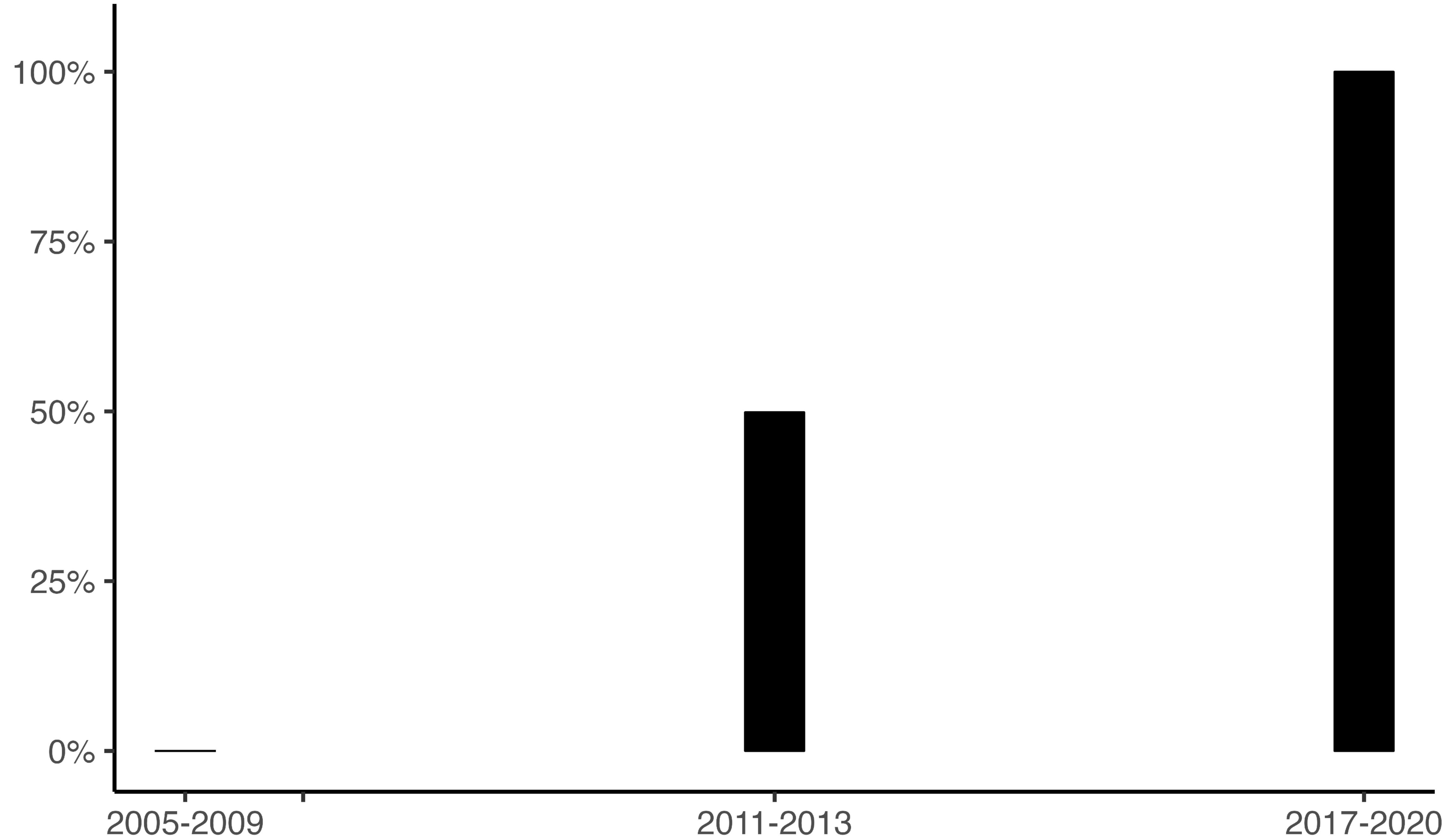
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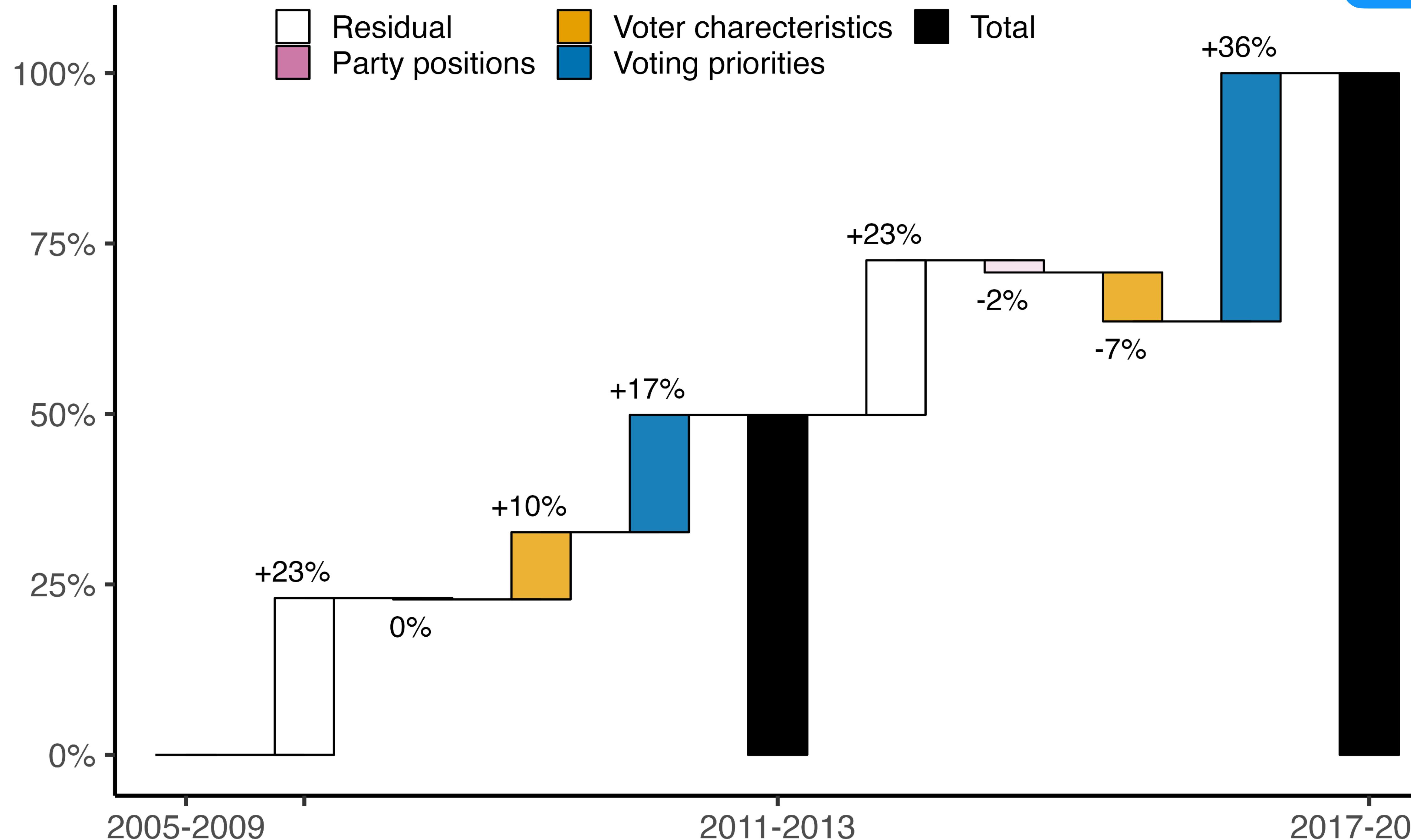
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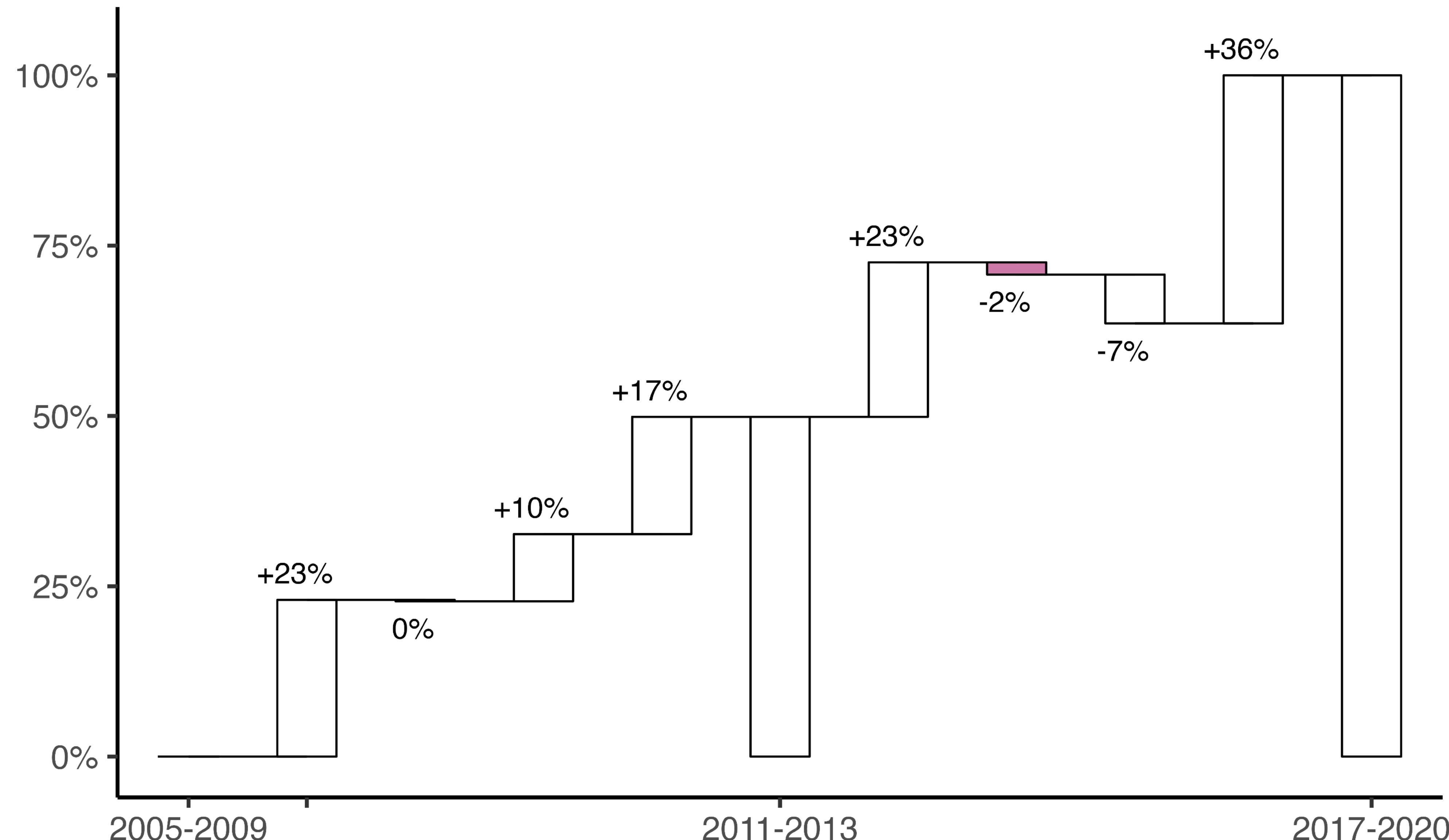
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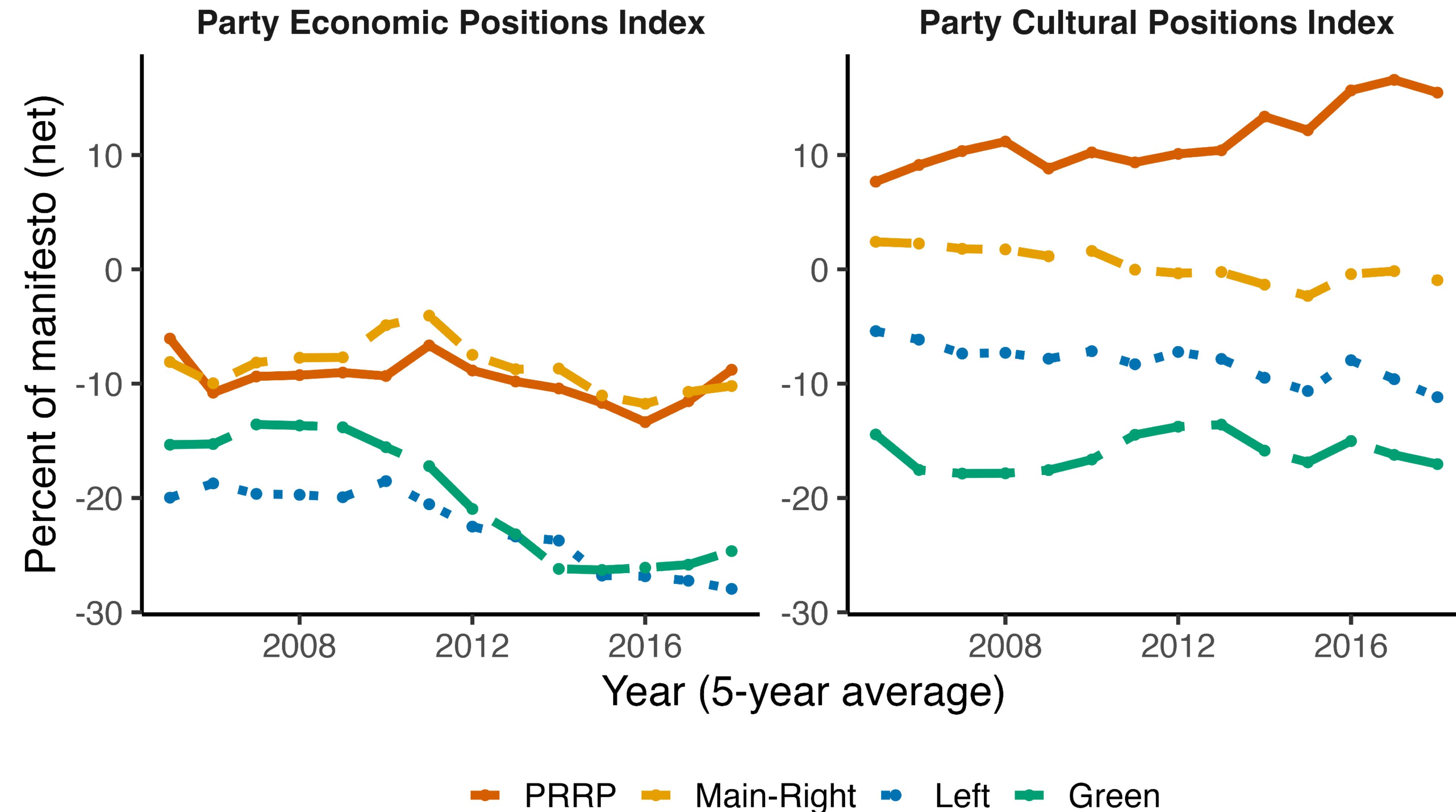
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# Party Positions Do Not Drive PRRP Support



# PRRP Do NOT Moderate Their Cultural Positions



Source: CMP data for 22 European countries

# Today's Plan

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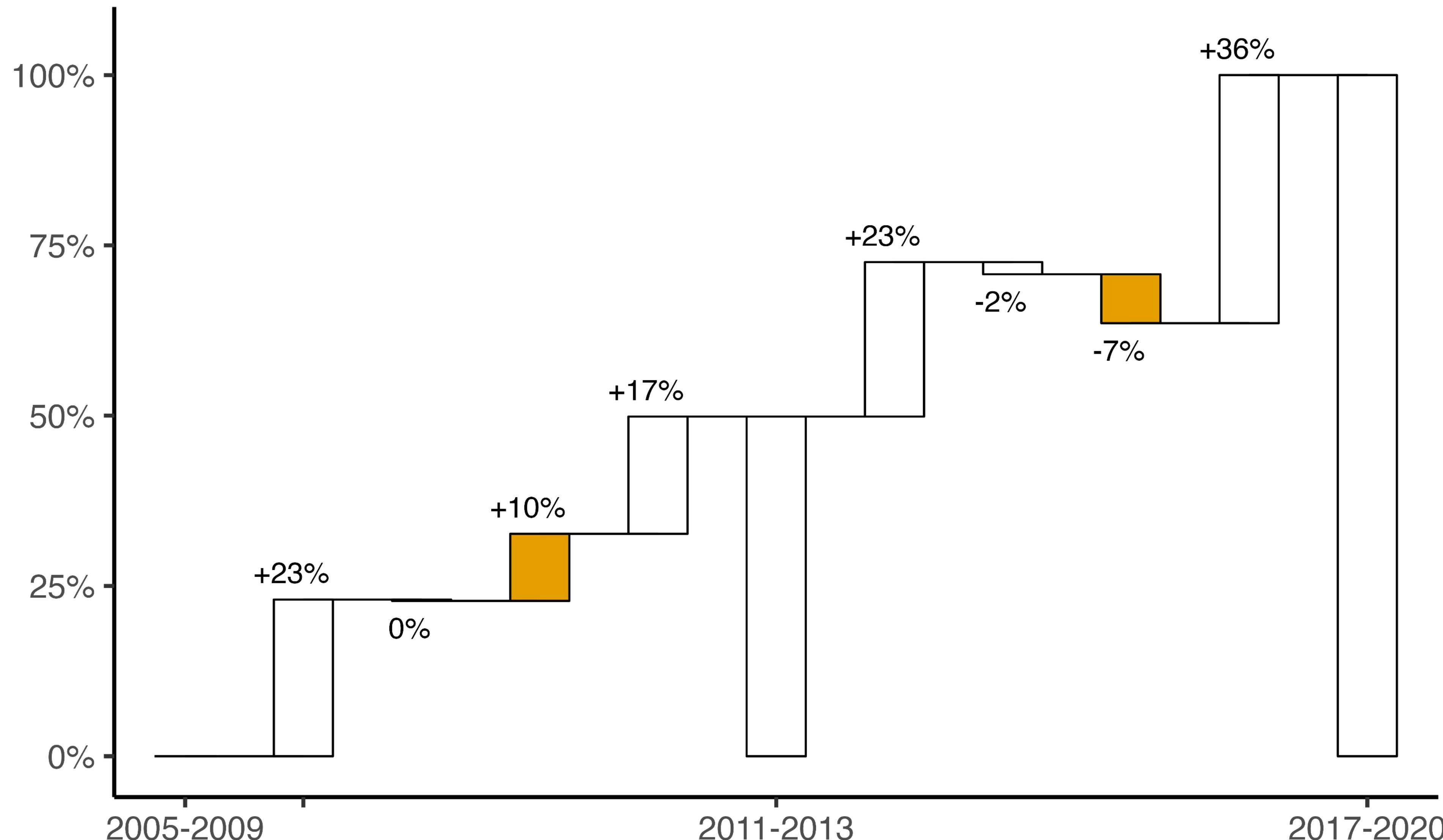
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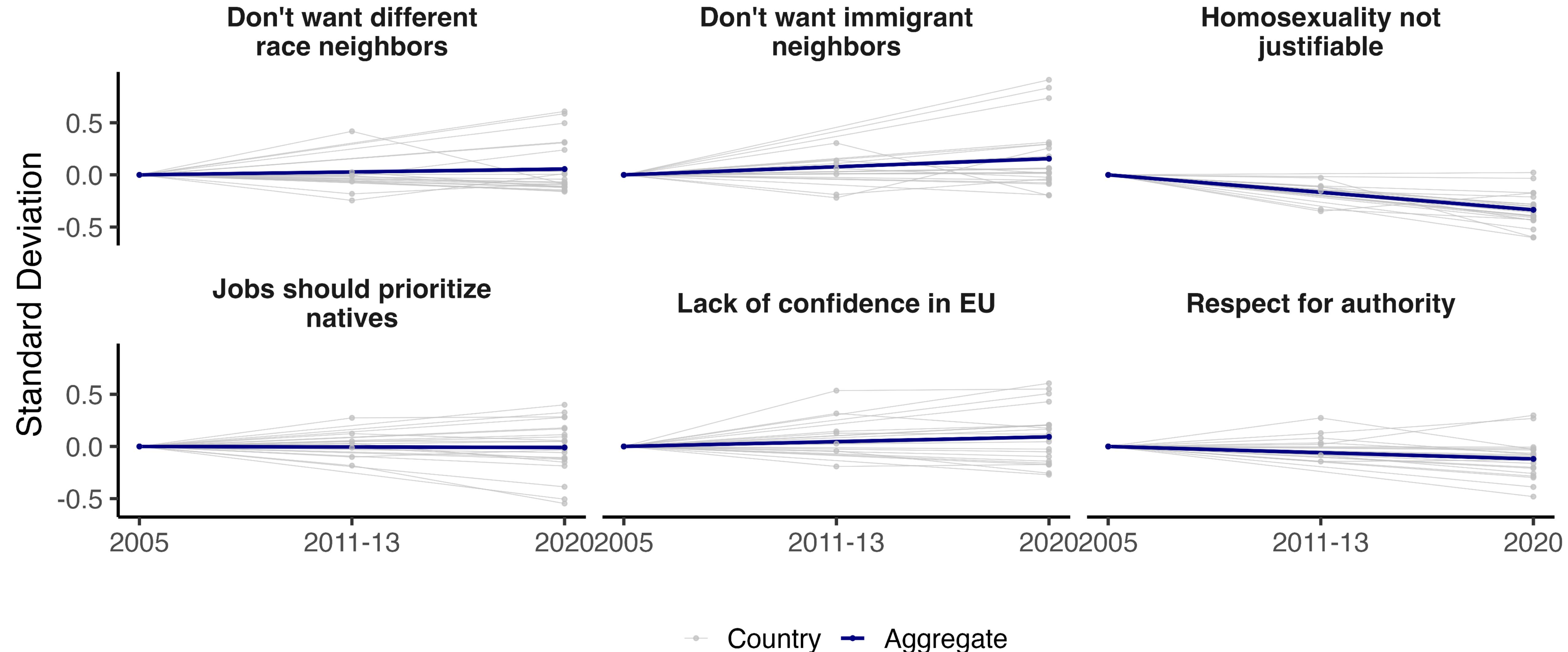
(b) Voter Characteristics

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# Voters Characteristics Cannot Explain the Rise



# Voters' Cultural Opinions are Stable on Average



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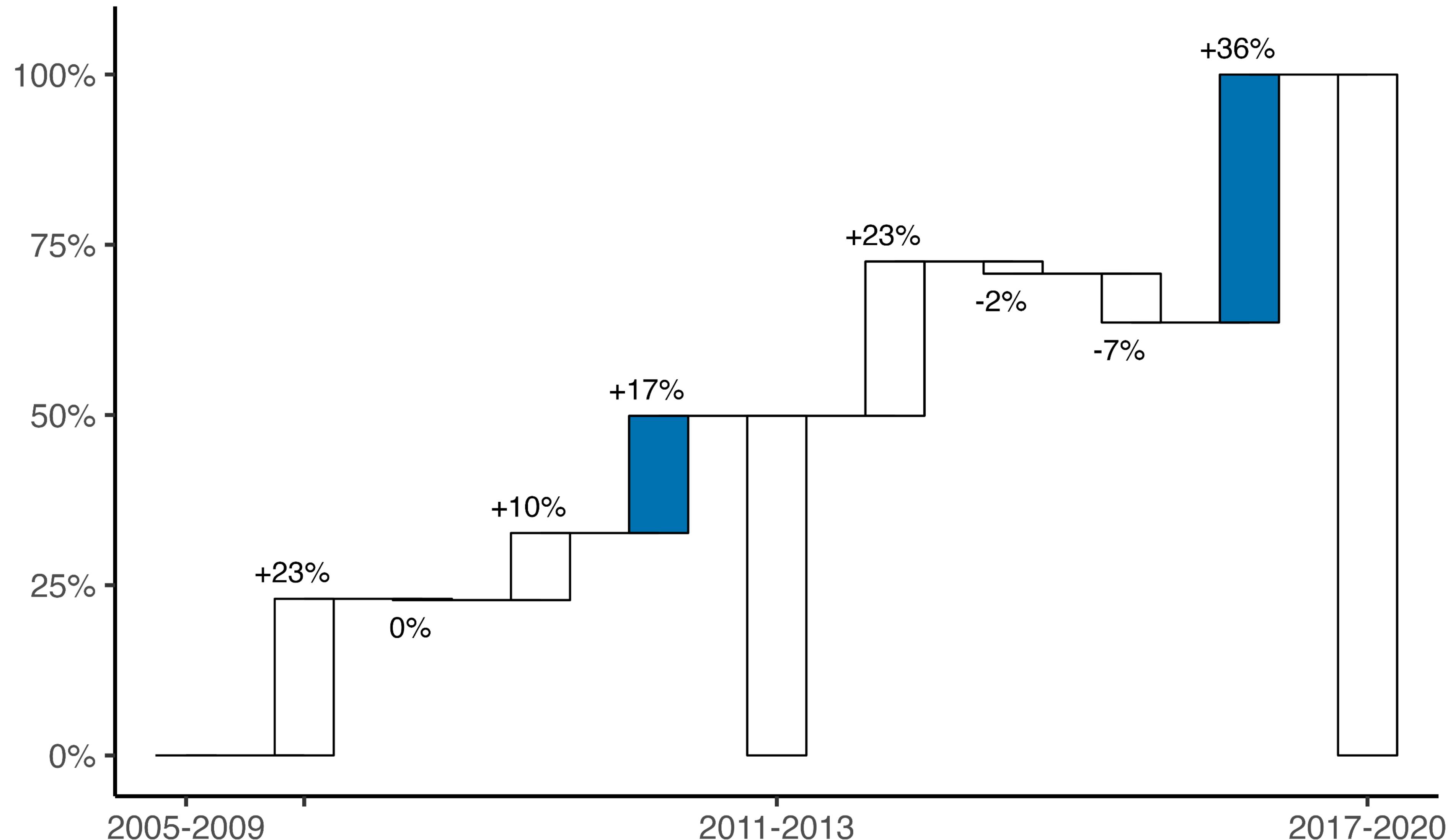
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# Voters' Priority is Important for the Rise



# re: Voters' Priority...

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- Voters have a weight for each party position (issue)

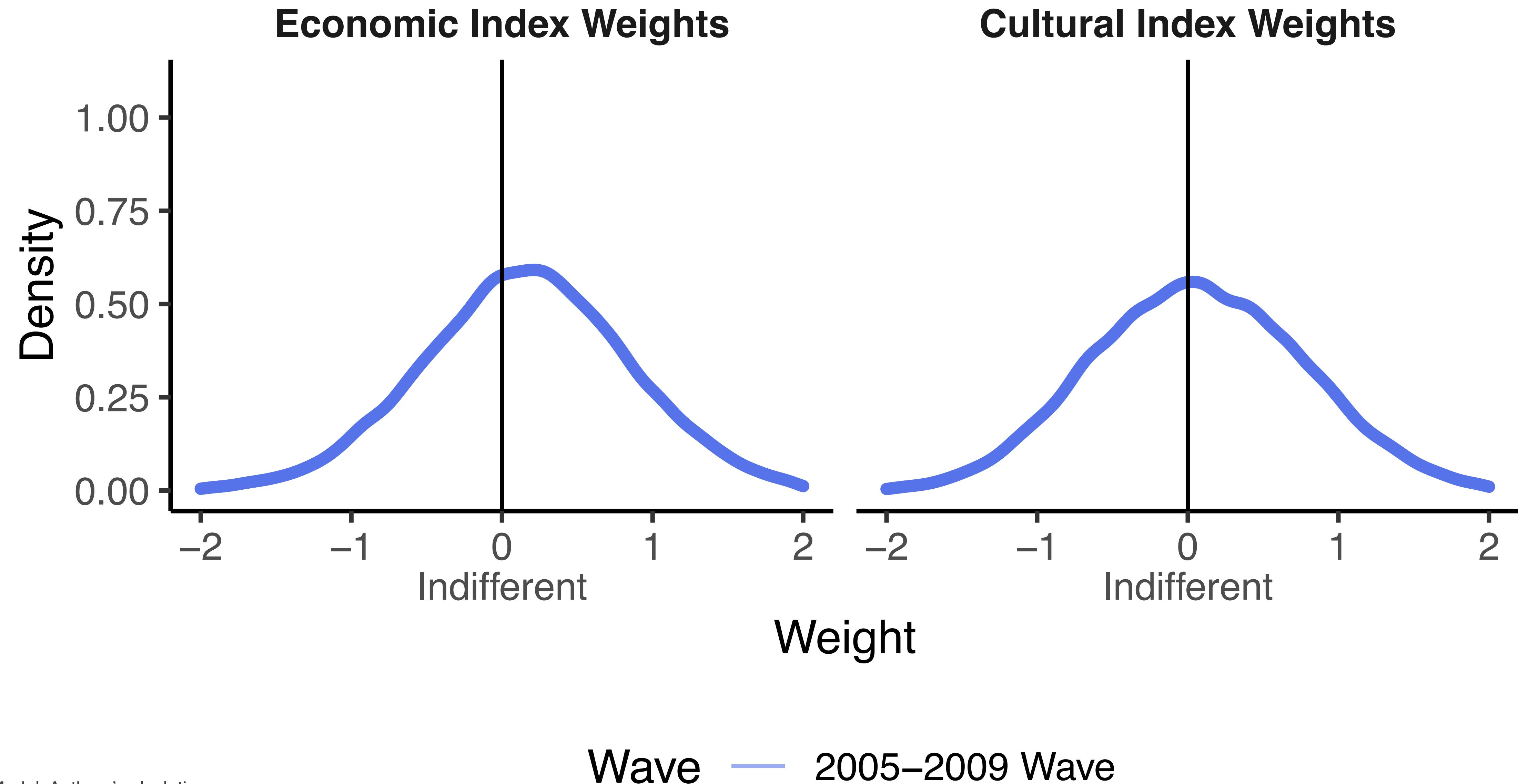
$$U_{ij} = z'_j w_i(x_i) + \zeta_j + \varepsilon_{ij}$$

- Suppose we hold voters' characteristics constant at 2017-2020 level

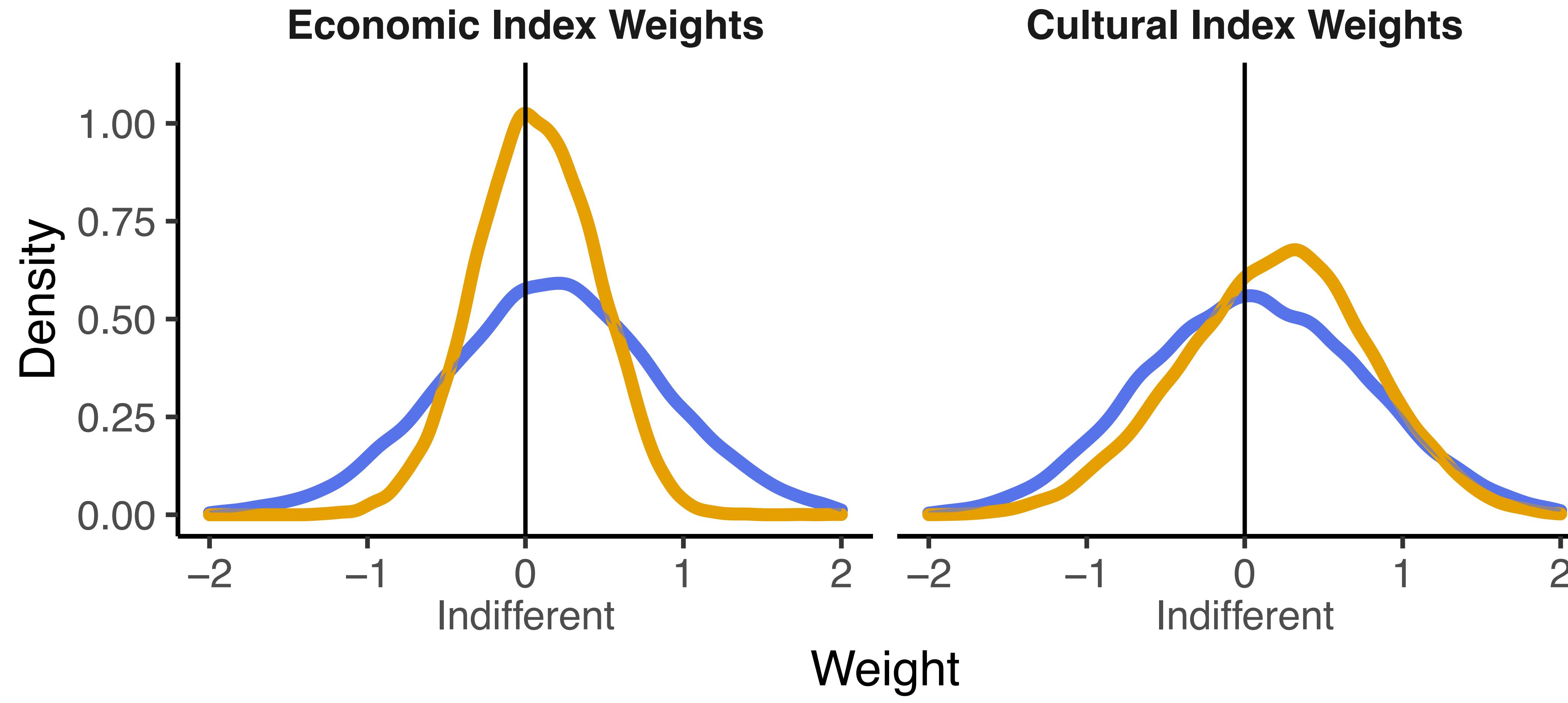
$$\tilde{w}_i(x_i) = x_i^{2020} \phi_t + \beta_t$$

- See distribution of weights on two established indexes (**high = more right**)
  - Economic index:  $\tilde{w}_i^E(x_i)$
  - Cultural index:  $\tilde{w}_i^C(x_i)$

# Weights on Econ/Cultural Positions used to be Similar



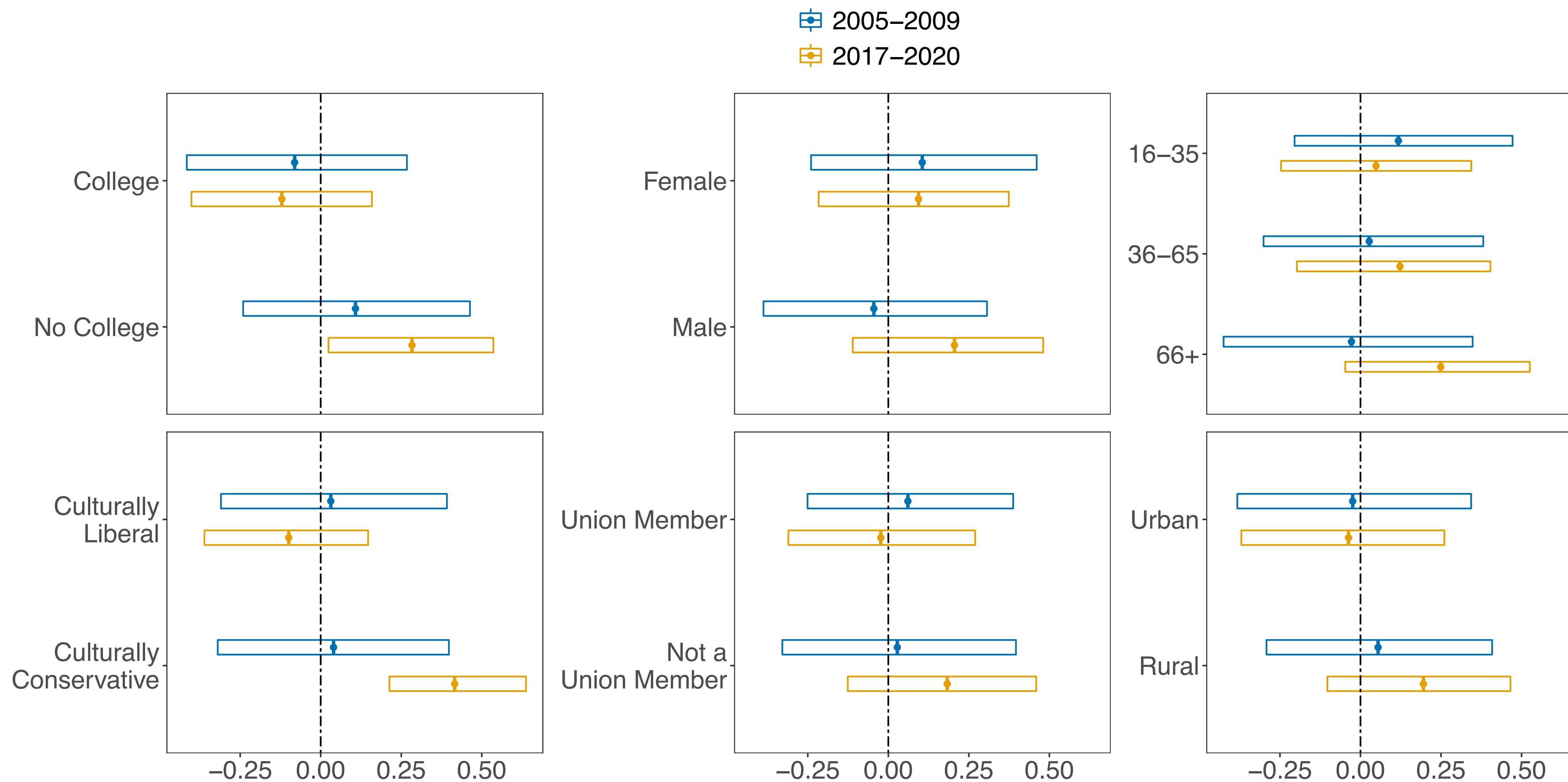
# Voters Now More Prioritized on Cultural Issues



Wave — 2005–2009 Wave — 2017–2020 Wave

# Cultural Priorities are Polarized

## Changes in Weights on Cultural Index by Subgroups



# Conclusion

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- ▶ **Changes in voter priorities drive recent populist support**
  - ▶ Evidence that a reservoir of populist voters was activated
  - ▶ **Inconsistent** with theories emphasizing the following as drivers
    - ▶ Party positions changes
    - ▶ Wave in public opinion
- ▶ Future Research
  - ▶ Why do priorities change?
  - ▶ Apply the same methodology to decompose additional political trends (Green?)

# Appendix

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# Manifesto Summary Stats

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	2005-2009		2017-2020	
	PRRP	Other Parties	PRRP	Other Parties
Party Economic Positions Index	-6.4	-8.1	-6.4	-14.8
Party Cultural Positions Index	13.2	-6.7	19.7	-6.7
<b>Top 5 Distinctive Variables</b>				
European Community/Union: Negative	2.8	0.3	3.4	0.5
National Way of Life: Positive	6.1	1.9	10.8	2.6
Internationalism: Negative	1.2	0.2	1.2	0.2
Multiculturalism: Negative	3.2	0.5	2.6	0.9
Law and Order: Positive	7.0	4.4	6.9	4.0

# Manifesto Economy Index

Variable	Description	Sign
Free Market Economy (per401)	Favourable mentions of the free market and free market capitalism as an economic model	+
Incentives: Positive (per402)	Favourable mentions of supply side oriented economic policies	+
Market Regulation (per403)	Support for policies designed to create a fair and open economic market	-
Economic Planning (per404)	Favourable mentions of long-standing economic planning by the government	-
Corporatism/Mixed Economy (per405)	Favourable mentions of cooperation of government, employers, and trade unions simultaneously	-
Protectionism: Positive (per406)	Favourable mentions of extending or maintaining the protection of internal markets	-
Protectionism: Negative (per407)	Support for the concept of free trade and open markets	+
Keynesian Demand Management (per409)	Favourable mentions of demand side oriented economic policies	-
Controlled Economy (per412)	Support for direct government control of economy	-
Nationalisation (per413)	Favourable mentions of government ownership of industries, either partial or complete; calls for keeping nationalised industries in state hand or nationalising currently private industries	-
Marxist Analysis (per415)	Positive references to Marxist-Leninist ideology and specific use of Marxist-Leninist terminology by the manifesto party	-
Anti-Growth Economy: Positive (per416)	Favourable mentions of anti-growth politics	-
Welfare State Expansion (per504)	Favourable mentions of need to introduce, maintain or expand any public social service or social security scheme	-
Welfare State Limitation (per505)	Limiting state expenditures on social services or social security	+

# Manifesto Cultural Index

Variable	Description	Sign
Military: Positive (per104)	The importance of external security and defence	+
Military: Negative (per105)	Negative references to the military or use of military power to solve conflicts	-
Peace (per106)	Any declaration of belief in peace and peaceful means of solving crises absent reference to the military	-
Internationalism: Positive (per107)	Need for international co-operation, including co-operation with specific countries other than those coded in Foreign Special Relationships	-
Internationalism: Negative (per109)	Negative references to international co-operation	+
Environmental Protection (per501)	General policies in favour of protecting the environment, fighting climate change, and other green policies	-
Equality: Positive (per503)	Concept of social justice and the need for fair treatment of all people	-
National Way of Life: Positive (per601)	Favourable mentions of the manifesto country's nation, history, and general appeals	+
National Way of Life: Negative (per602)	Unfavourable mentions of the manifesto country's nation and history	-
Traditional Morality: Positive (per603)	Favourable mentions of traditional and/or religious moral values	+
Traditional Morality: Negative (per604)	Opposition to traditional and/or religious moral values	-
Law and Order: Positive (per605)	Favourable mentions of strict law enforcement, and tougher actions against domestic crime	+
Multiculturalism: Positive (per607)	Favourable mentions of cultural diversity and cultural plurality within domestic societies	-
Multiculturalism: Negative (per608)	The enforcement or encouragement of cultural integration	+
Underprivileged Minority Groups (per705)	Very general favourable references to underprivileged minorities who are defined neither in economic nor in demographic terms	-

# IVS Summary Stat

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	2005-2009		2017-2020	
	PRRP	Other Parties	PRRP	Other Parties
<b>Demographics</b>				
College education	0.16	0.28	0.22	0.40
Age	45.83	50.04	51.01	52.48
Male	0.53	0.47	0.53	0.45
Right Wing	0.66	0.41	0.74	0.42
Urban	0.21	0.27	0.18	0.24
<b>Most Distinctive Opinions</b>				
Confidence in EU	-0.13	0.07	-0.53	0.04
Jobs should prioritize natives	0.46	-0.03	0.55	-0.13
Don't want immigrant neighbors	0.14	-0.08	0.55	-0.04
Confidence in press	-0.11	0.05	-0.36	0.03
Confidence in UN	-0.14	0.06	-0.42	0.04

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# Our Model is Similar to Bliss Point Model

- Assume that voters have a bliss point, which is linear in their observables

$$U_{ij} = \|z_j - Ax_i\|^2 + \zeta_j + \varepsilon_{ij} \text{ with norm } \|a\|^2 = \sum_k \beta_k^2 a_k^2$$

- Then, we can rewrite as

$$U_{ij} = x_i \phi z'_j + \delta_j \text{ with } \phi = A * \text{diag}(\beta) \text{ and } \delta_j = z^2 \beta^2 + \zeta_j$$

- Our model misspecified  $\delta_j$ 
  - This would be attributed to  $\zeta_j$

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# Estimation: Two-Steps

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- Define  $\delta_j$  as the utility gain from party  $j$  that is common across voters

$$U_{ij} = \underbrace{x_i' \phi z_j + \beta' z_j + \zeta_j}_{\delta_j} + \varepsilon_{ij}$$

- Assume  $\varepsilon_{ij}$  has a Gumbel (logit) distribution, the prob. of voting for party  $j$

$$P(z_j | x_i) = \frac{\exp(x_i' \phi z_j + \delta_j)}{\sum_k \exp(x_i' \phi z_k + \delta_k)}$$

- Step 1: estimate  $\hat{\phi}_t$  and all  $\hat{\delta}_{j,t}$  separately for each wave  $t$  using penalized-MLE
- Step 2: estimate  $\hat{\beta}_t$  using estimates  $\hat{\delta}_{j,t}$  for all waves

# Step 1: Penalized MLE

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- Challenge:  $\phi$  has a large dimension ( $\approx 5,000$ )
- Solution: penalize  $\|\phi\|$  with nuclear norm

$$\max_{\Phi, \delta} L(\Phi, \delta) - \lambda \|\Phi\| = \max_{\Phi, \delta} \sum_i \log \frac{\exp [x_i \Phi z_{j(i)} + \delta_{j(i)}]}{\sum_k \exp [x_i \Phi z_k + \delta_k]} - \lambda \|\Phi\|$$

- Nuclear norm
  - Generate low-rank solutions, individuals expected to vote based on a few dimensions
  - Computationally easier to solve
- Solve using proximal gradient descent
- Choose penalty  $\lambda$  using cross validation

## Step 2: Beta and Zeta

- Want to decompose changes in mean utility  $\delta_j = \beta' z_j + \zeta_j$ 
  - Could be due to party positions, weights, or residual
  - Estimate the following learn model for all waves jointly

$$\hat{\delta}_{j,t} = \beta_t z_{jt} + \eta_j + \nu_{jt}$$

- Control party FE  $\eta_j$
- Add additional waves for more power
- $\hat{\zeta}_{jt} = \hat{\eta}_j + \hat{\nu}_{jt}$  : party valence

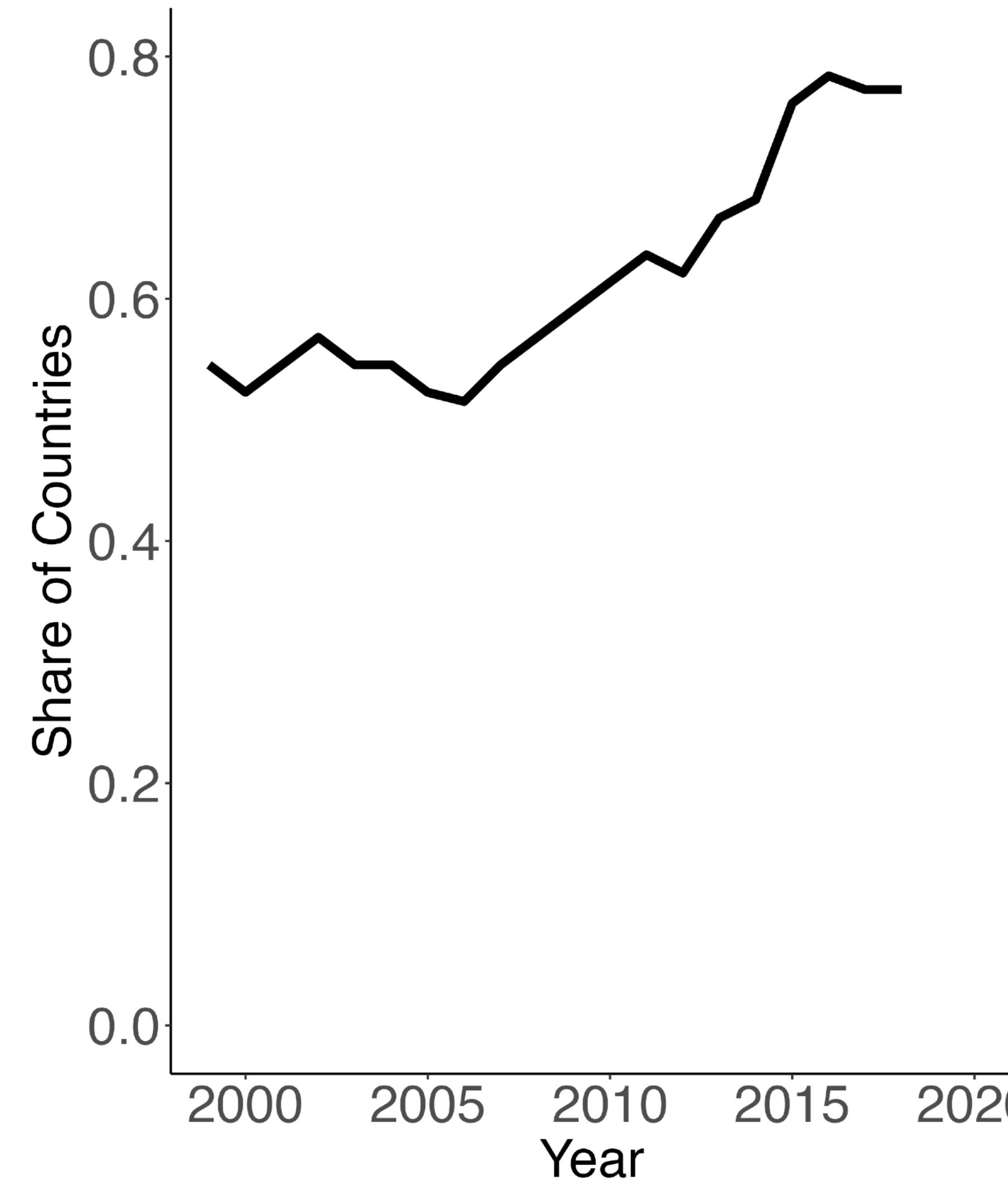
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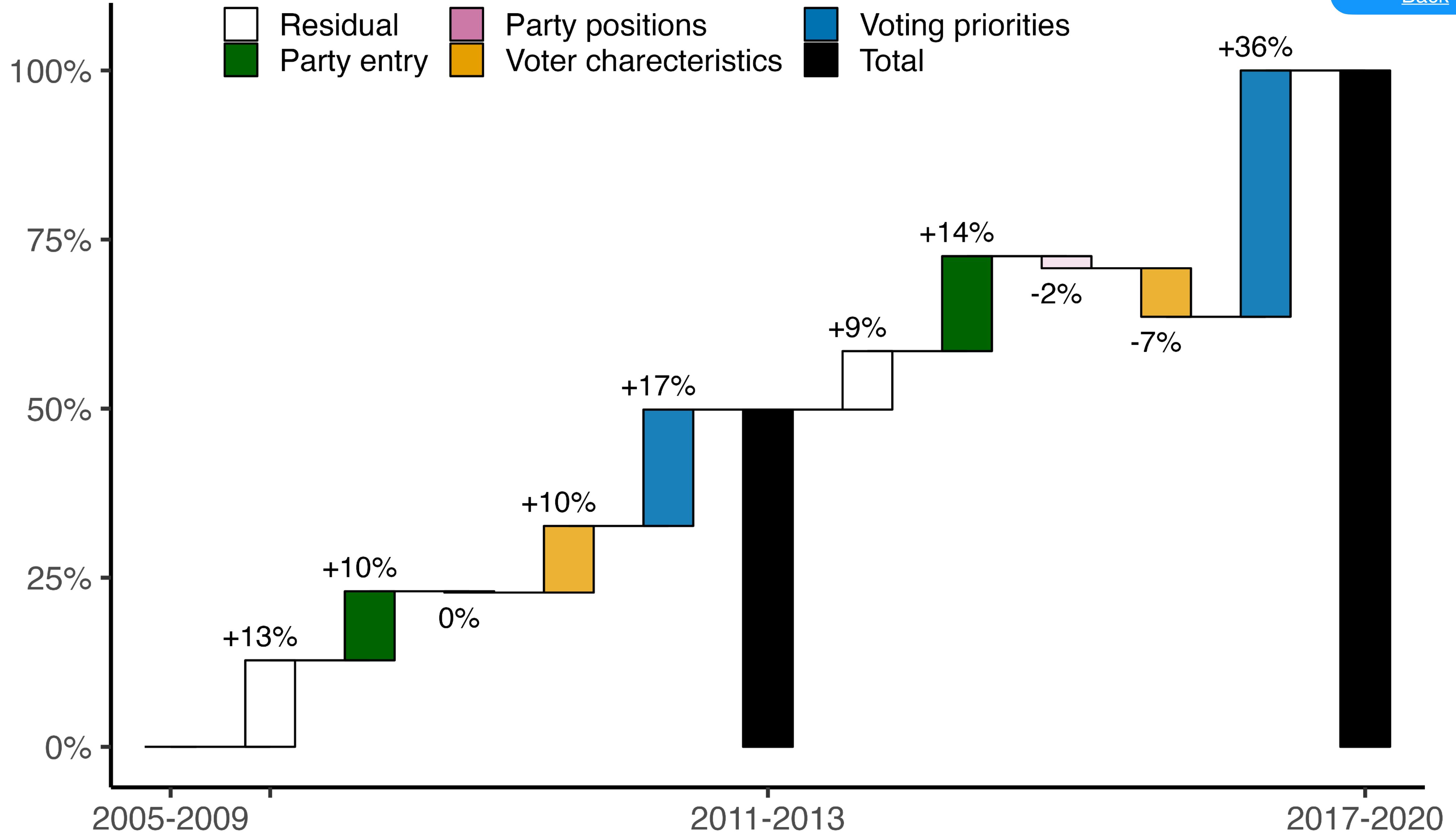
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# More and More Countries Have PRRP

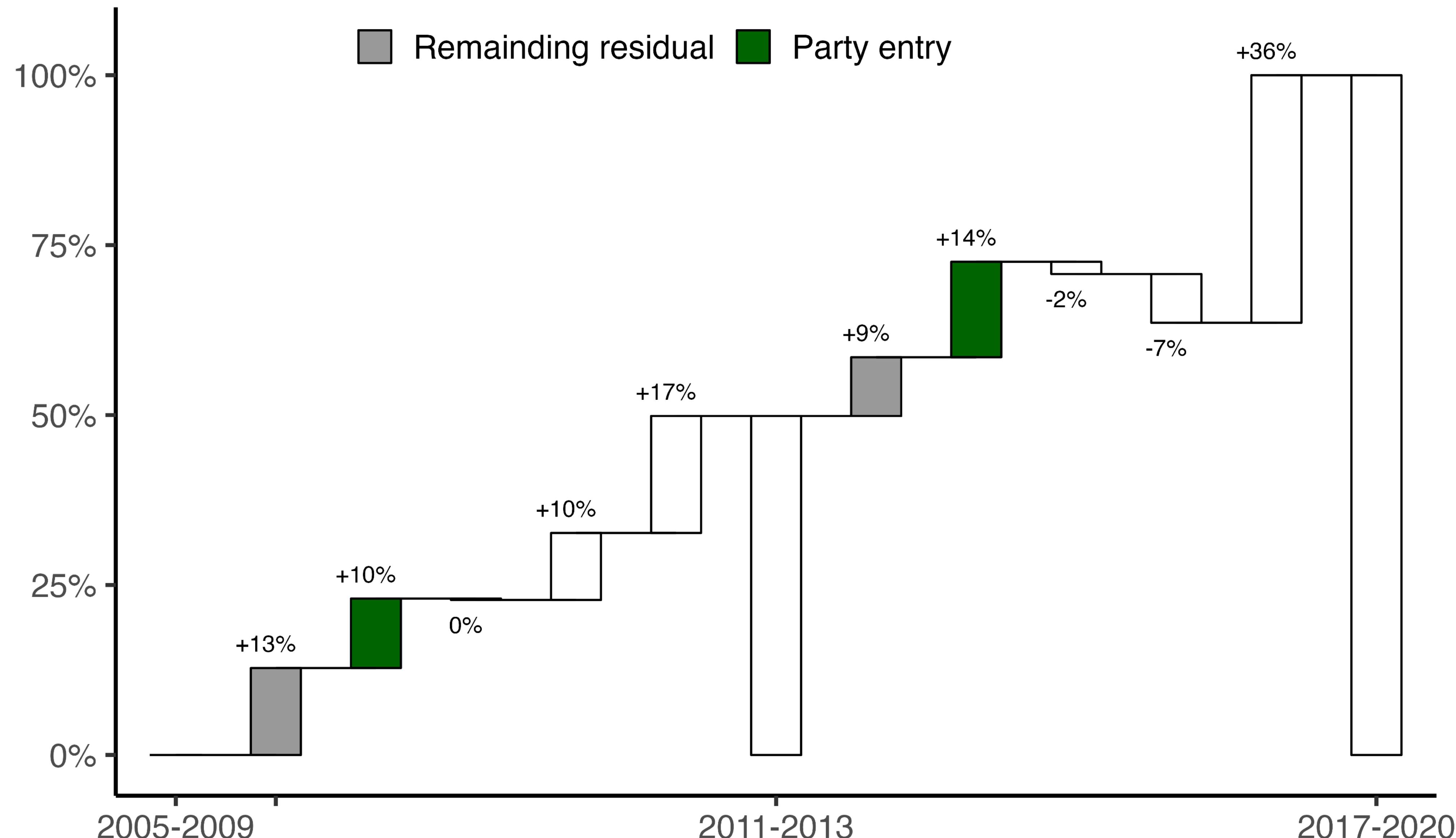
## Share of Countries with PRRP



- ▶ About 80% of the 22 countries have at least one PRRP in 2020
- ▶ Increasing trends
  - ▶ AfD in Germany founded 2013
  - ▶ Swedish Democrats first got seats in 2010



# Party Entry is Also Important

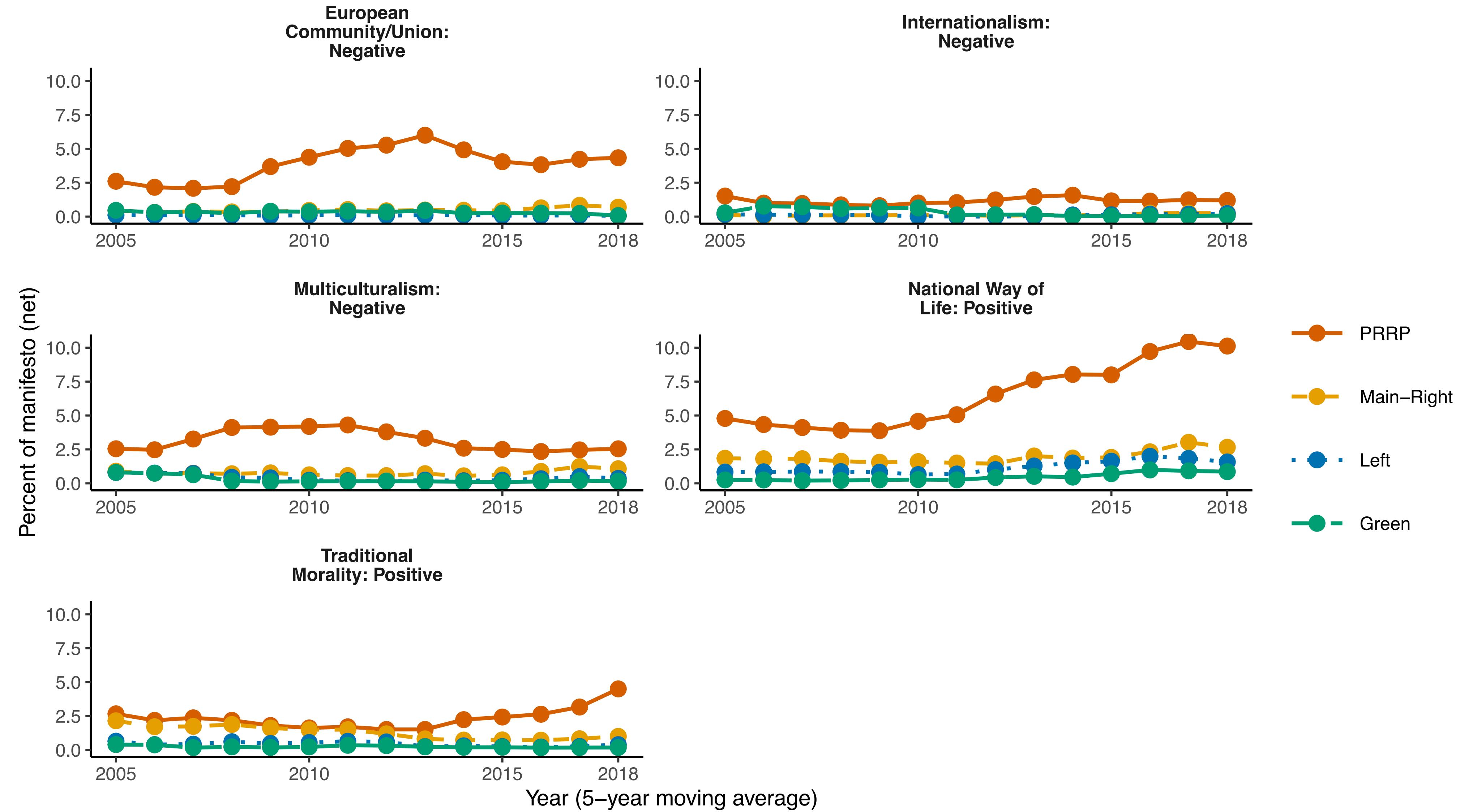


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# PRRP are Becoming More and More Culturally Right



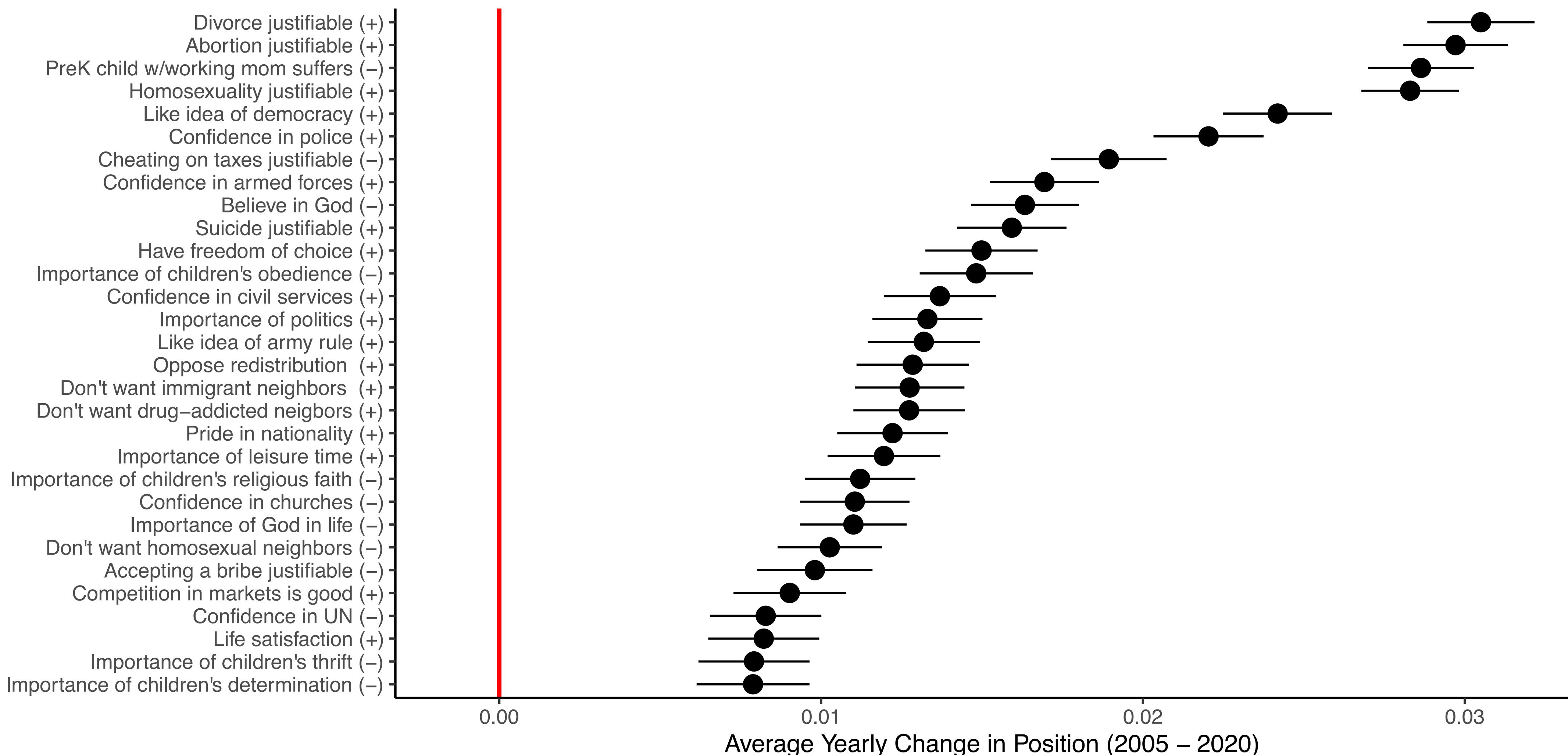
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# People are Not Quite Going to Right

## Opinions which have changed the most between 2005-2020; global average



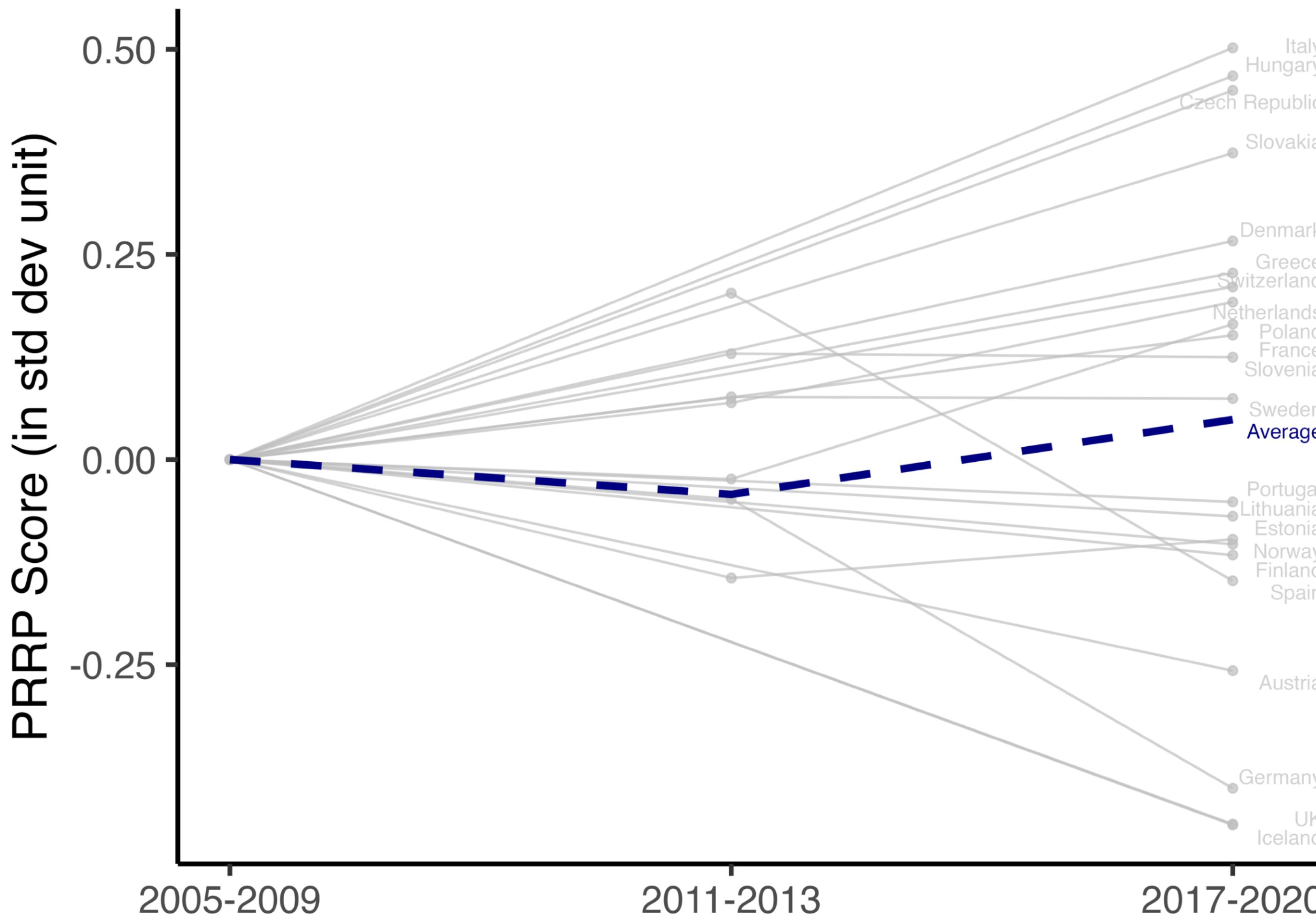
Source: IVS data for 22 European countries

# Construct Voter's PRRP Score

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- Run LASSO predicting PRRP support at voter level
  - Use most recent wave + country FE
  - Use all IVS variables (options and demographics)
- Construct PRRP score at voter level
- Important variables:
  - “Jobs should prioritize natives”
  - Against “Trust other people”
  - Against “Don’t want heavy-drinking neighbors”

# Voters's Characteristics are Not Toward PRRP on Average



- ▶ PRRP score did not increase on average
- ▶ Heterogeneity
- ▶ Hypothetically, PRRP score increase can explain cross-country variations
- ▶ Insignificant for changes in voting share for PRRP ( $R^2=0.06$ )
- ▶ Decomposition would have told us if it were the case

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