

Populism and the Minimum Wage

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Slides

- ▶ first district (“Landkreis”) in Germany to elect commissioner from AfD (52.8%)
- ▶ AfD = right-wing radical neo-nazi party with distinct populist agenda
- ▶ but also district with highest share of minimum wage recipients in Germany (44%)

Research Question: Does the political economy of the minimum wage explain the success of the AfD / right-wing populism?

Data

- ▶ **Dependent Variable:** AfD vote share in 2021 federal election (Bundeswahlleiter)
- ▶ **Independent Variable:** Share of minimum wage recipients in 2022 (WSI)

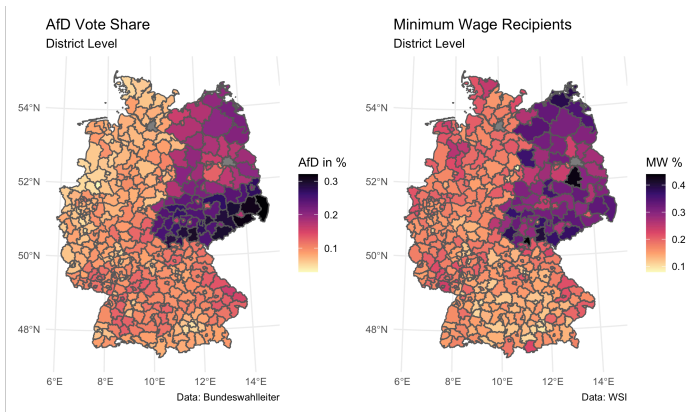


Figure 1: Data mapped

Literature

What causes the populist vote?

Author	Cause
(gabrielPoliticalCostsAusterity2023?) Hövermann (2023)	Austerity
Dippel et al. (2022)	job dissatisfaction
Fischer and Meister (2023)	exposure to globalization
	Financial Crisis

Method

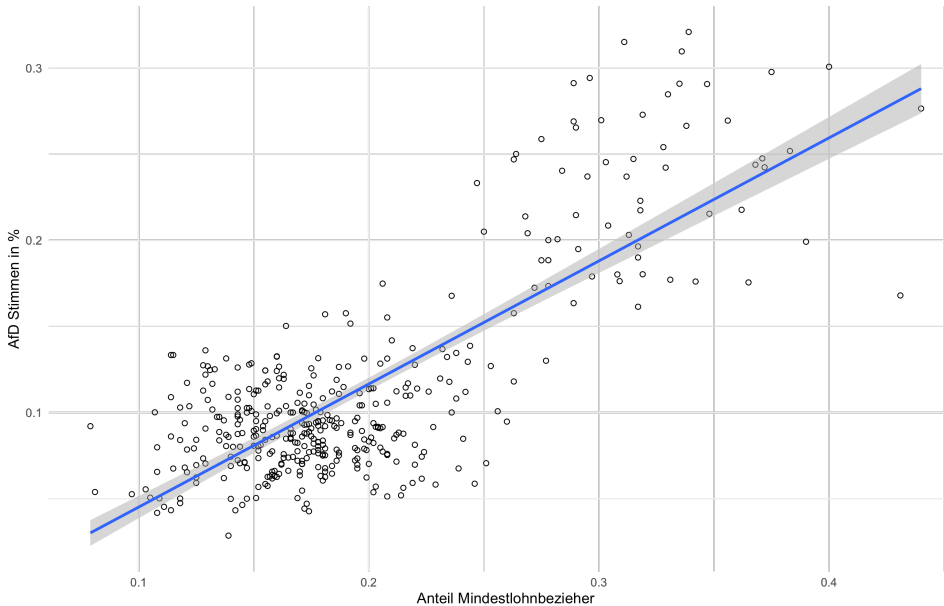
- ▶ **Model:** Linear Regression
- ▶ **Estimation:** OLS
- ▶ **additional Controls:** unemployment rate, GDP per capita, share of foreigners, share of elderly, population density

$$\text{AfD Vote Share}_i = \beta_0 + \beta_1 \text{MW Recipients}_i + \beta_2 \text{Controls}_i + \epsilon_i$$

Results

AfD Stimmen und Mindestlohnbezieher

Kreisebene



Daten: WSI, Bundeswahlleiter

Regression Table

gives us the following table:

Dippel, Christian, Robert Gold, Stephan Heblich, and Rodrigo Pinto. 2022. “The Effect of Trade on Workers and Voters.” *The Economic Journal* 132 (641): 199–217.
<https://doi.org/10.1093/ej/ueab041>.

Fischer, Carl Leonard, and Lorenz Meister. 2023. “Economic Determinants of Populism.” Berlin. https://www.diw.de/de/diw_01.c.879785.de/publikationen/roundup/2023_0145/economic_determinants_of_populism.html.

Hövermann, Andreas. 2023. “Das Umfragehoch der AFD.” https://www.wsi.de/de/faust-detail.htm%3Fsync_id=HBS-008748.