Decomposing the Rise of the Populist Radical Right

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

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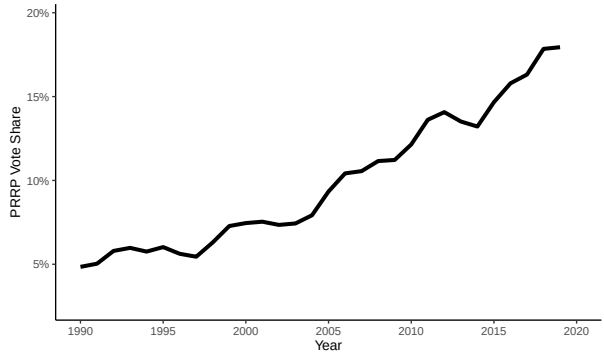
Background

- Dramatic increase in support for **Populist Radical Right Parties** (**PRRP**) in Europe

- Widespread implications
  - Joining/leading governments (Akkerman et al., 2016; De Lange, 2012; Funke et al., 2020)
  - Affect policy (Rathgeb and Busemeyer, 2021)
  - Erode democratic norms (McCoy and Somer, 2019)



Source: CMP data for 22 European countries

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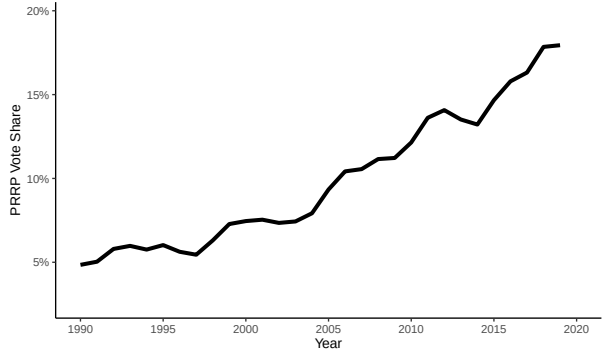

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- Despite rich literature on rise of populism, no consensus on main explanation (Guriev and Papioannou, 2020)

Research Question

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Demand channels reflect ongoing debate in political science:

- "wave" of nativism vs. "reservoir" of voters now "activated" (Bartels, 2017; Bonikowski, 2017)

This paper

Descriptive analysis of changes in 22 European countries driving the rise of PRRP:

- Party positions
- Voter characteristics (demographics and opinions)
- Voter priorities

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  - Share of the trend explained holding other components constant

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Result: voter priorities drive most of the increase in PRRP support

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Result: voter priorities drive most of the increase in PRRP support

- Voters put relatively less weight on economic issues
- Voters prioritize conservative cultural issues

Contribution to the Literature

Decomposition is a **descriptive** method

- Common practice in Labor Economics, especially for the rise of inequality
  (Juhn et al., 1993; DiNardo et al., 1996; Fortin et al., 2011)

Knowing the What/How is important for knowing the Why

- Test if theories that are consistent 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 mechanism for reduced form analysis
  - Technological change (Anelli et al., 2019); financial crises (Funke et al., 2020); trade (Colantone and Stanig, 2018; Autor et al., 2020; Dippel et al., 2020; Frieden, 2022); new media technology (Guriev et al., 2021; Manacorda et al., 2022)
- Focus attention on the right outcome variable
  - Importance of cultural issues
  - Theory (Enke, 2020; Bonomi et al., 2020, 2021)
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Manifesto

Parties: Comparative Manifesto Project

- Share of sentences in manifesto (party platform) discussing topics
- For many issues positive and negative mention counted separately
- Captures change in positions (Adams, 2012) Example
- Use all 56 party positions

Summary Stats

IVS

Voters: Integrated Values Survey

- Combination of the World Values Survey (WVS) and the European Values Survey (EVS)
- Three waves: 2005-2009, 2011-2013, 2017-2020
- 22 countries that appeared in both first and last wave
- Use over 100 variables that exist for vast majority of country-waves
- Includes questions on
  - Demographics
  - Opinions
  - Supported party

Summary Stats PRRP Support Map

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Voting Model

- The utility of voter i from party j is a function of

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

- Party j's positions $z_j = \{z_j^1, ..., z_j^L\}$

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- The weights $w_i(x_i) = \{w_i^1, ..., w_i^L\}$ voter i places on each position
  - Weights determine the issues individuals take into account when voting
  - $sign(w_i^m)$ determines whether voter i supports or opposes position z^m
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    - Represent importance, salience, legitimacy

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- The party's valence ζ_j (candidate competence, party brand, etc.) + misspecification
- An error term ε_{ij}
- Similar to a bliss point model Details

Demand: Voting Weights

Linearity

Demand is set by voting weights

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

- Weights are a linear function of voter characteristics x_i with priority parameters Φ, β
- Voter characteristics x_i includes opinions and demographics
  - Directly observed from IVS
- The priority parameters Φ, β determine how characteristics map to weights
  - Estimated Estimation Details
  - Can depend on importance, salience, legitimacy of specific positions

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Decomposition

- S_t PRRP vote share at time t

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

- $P(\Pi|x_i)$ - the probability of voting for PRRP
  - $Z_t = \{z_{j,t}\}_{j \in \mathcal{J}(c,t)}$ is the matrix of party positions z_j at time t
  - $f_t(x_i)$ is the density of voter characteristics at time t
  - $\theta_t = (\Phi_t, \beta_t)$, is the set of priority parameters
  - $\zeta_t = \{\zeta_{j,t}\}_{j \in \mathcal{J}(c,t)}$ is the vector of residuals

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- Change in PRRP support

$$\Delta_t^{t+1} S = \int P(\Pi|x_i; \theta_{t+1}, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i - \int P(\Pi|x_i; \theta_t, Z_t, \zeta_t) f_t(x_i) dx_i$$

Decomposition (2)

$$\Delta_t^{t+1} S_P = \underbrace{\int P(\Pi|x_i;\theta_t, Z_t, \zeta_{t+1}) f_t(x_i) dx_i - \int P(\Pi|x_i;\theta_t, Z_t, \zeta_t) f_t(x_i) dx_i}_{\text{Residual}}$$

$$+ \underbrace{\int P(\Pi|x_i;\theta_t, Z_{t+1}, \zeta_{t+1}) f_t(x_i) dx_i - \int P(\Pi|x_i;\theta_t, Z_t, \zeta_{t+1}) f_t(x_i) dx_i}_{\text{Party Positions}}$$

$$+ \underbrace{\int P(\Pi|x_i;\theta_t, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i - \int P(\Pi|x_i;\theta_t, Z_{t+1}, \zeta_{t+1}) f_t(x_i) dx_i}_{\text{Voter Characteristics}}$$

$$+ \underbrace{\int P(\Pi|x_i;\theta_{t+1}, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i - \int P(\Pi|x_i;\theta_t, Z_{t+1}, \zeta_{t+1}) f_{t+1}(x_i) dx_i}_{\text{Voter Priorities}}$$

Clarifications and Caveats

1. Descriptive analysis
   - Parameters are not causally identified
   - Components could affect each other

2. No strategic considerations
   - E.g. coordination efforts, barriers to entry
   - Attribute to the residual

3. No turnout (Guiso et al., 2017)

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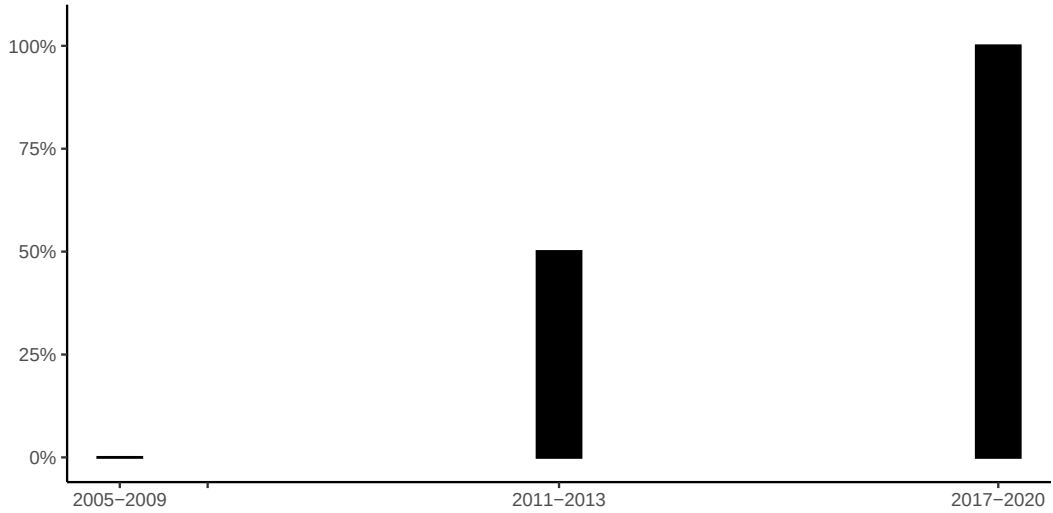
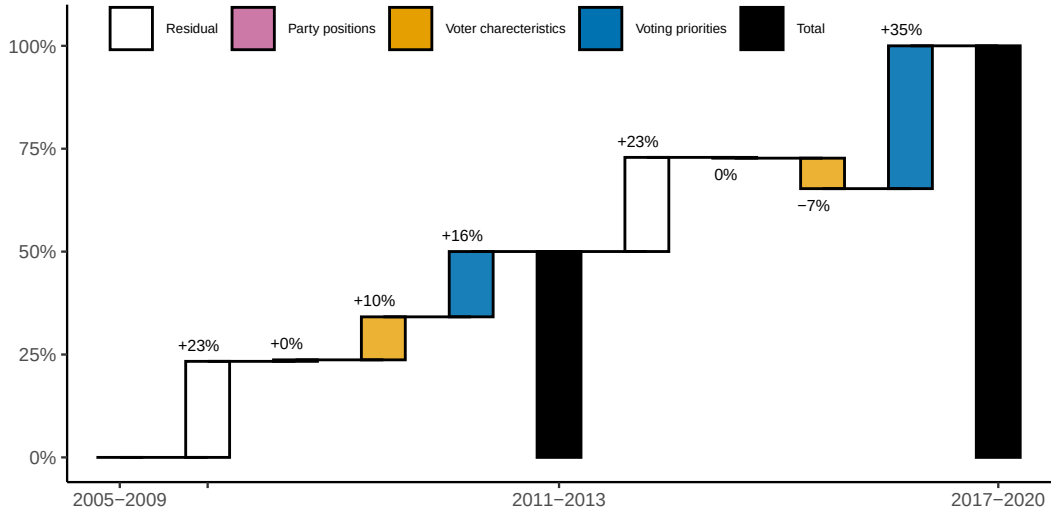
Decomposition Results



Decomposition Results By Country



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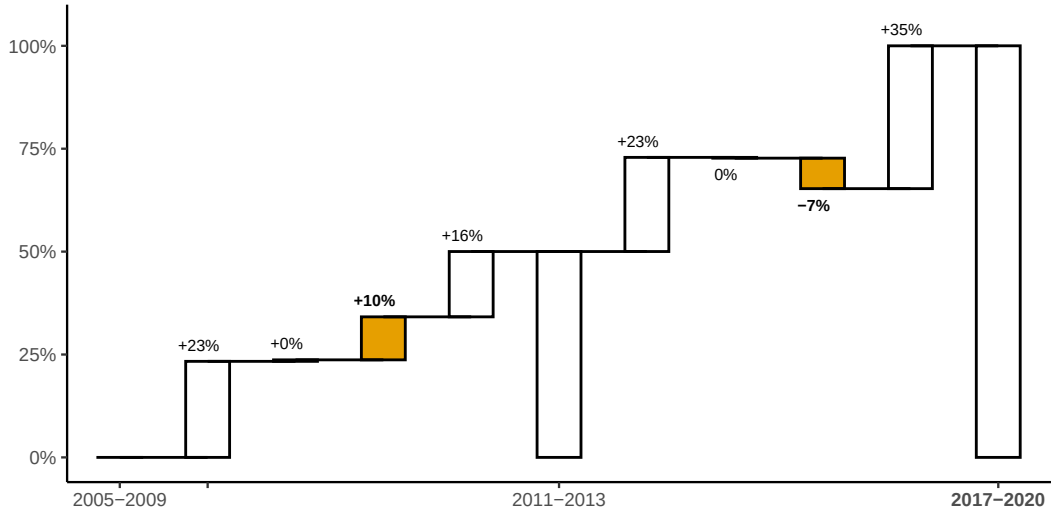
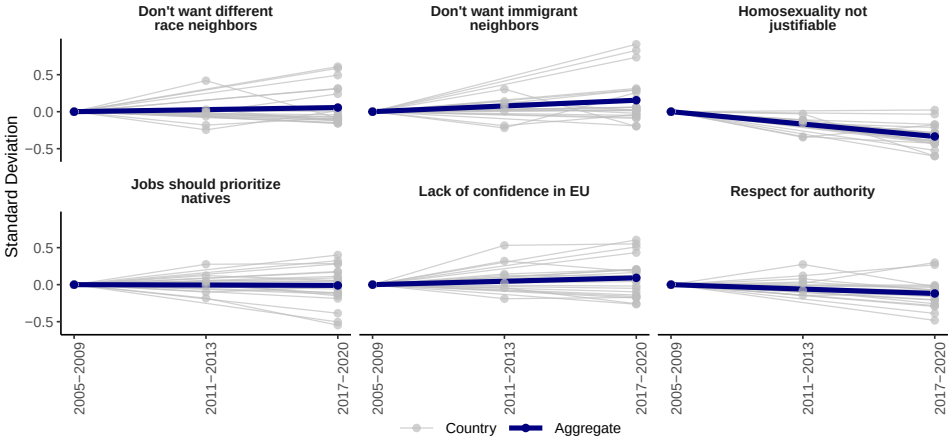
Voter Characteristics Do Not Drive Populist Support



Voters Cultural Views Are Stable



- Similar results for other cultural variables Opinions that changed the most
- Similar results for extremists Change for extremists

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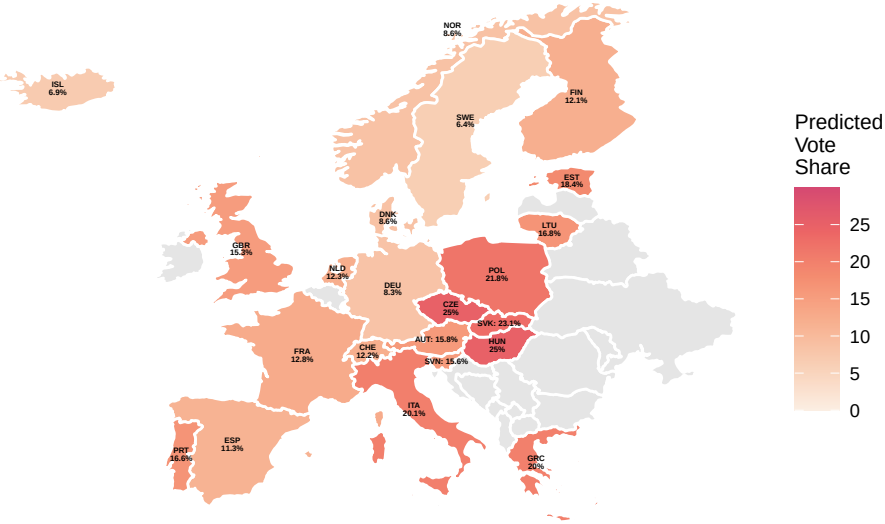
Geographical Decomposition, 2017-2020 Germany

Counterfactual support for National Front if voter had characteristics as in other countries

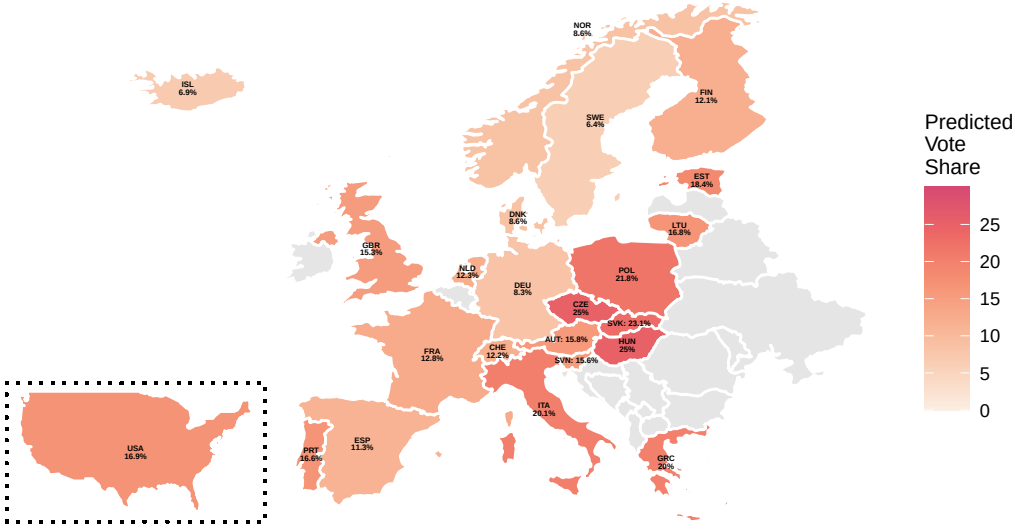
Geographical Decomposition, 2017-2020 Germany

Voter characteristics explain geographical variation



Geographical Decomposition, 2017-2020 Germany

Size of the reservoir in different countries



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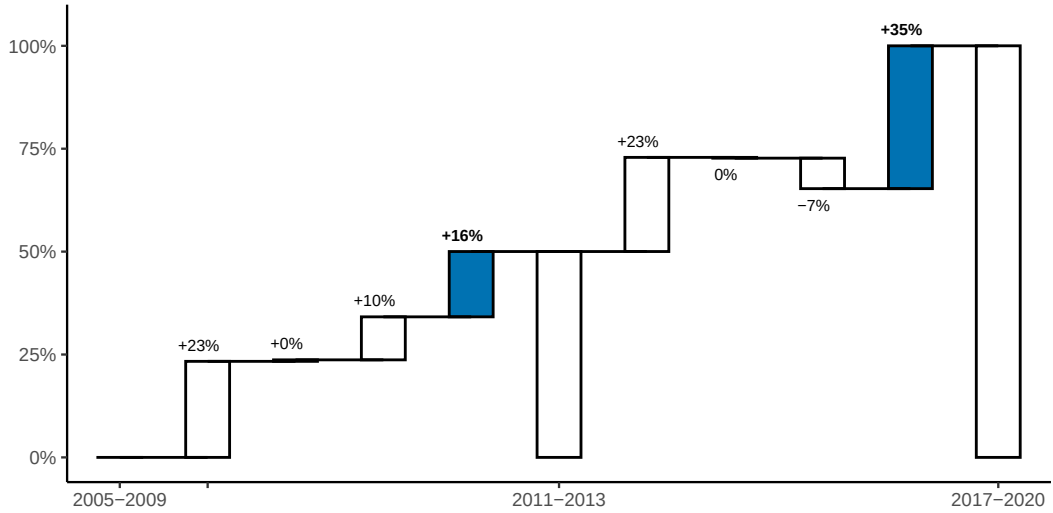
Voter Priorities Drive Support in the Last Decade



Voting Weights

Voters have a weight for each party position

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Hold characteristics x_i constant at 2017-2020 level

$$w_i(x_i) = x_i^{2020} \Phi_t + \beta_t$$

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Hold characteristics x_i constant at 2017-2020 level

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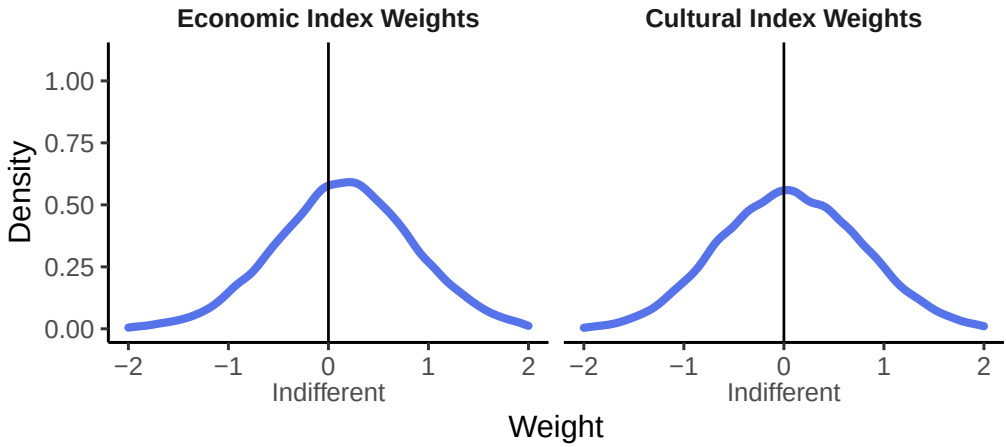
Aggregate weights into two established indexes

- Economic Index
- Culture Index
- Units: Utility impact if party shifts 1σ to the right

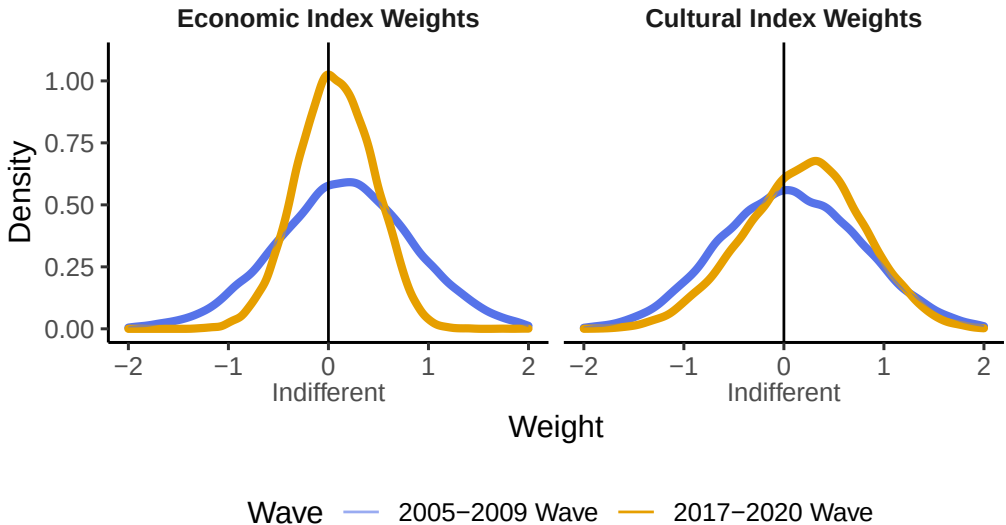
Changes in Voting Weights, Fixed Voter Characteristics

- Weights on economic and cultural positions used to be similar



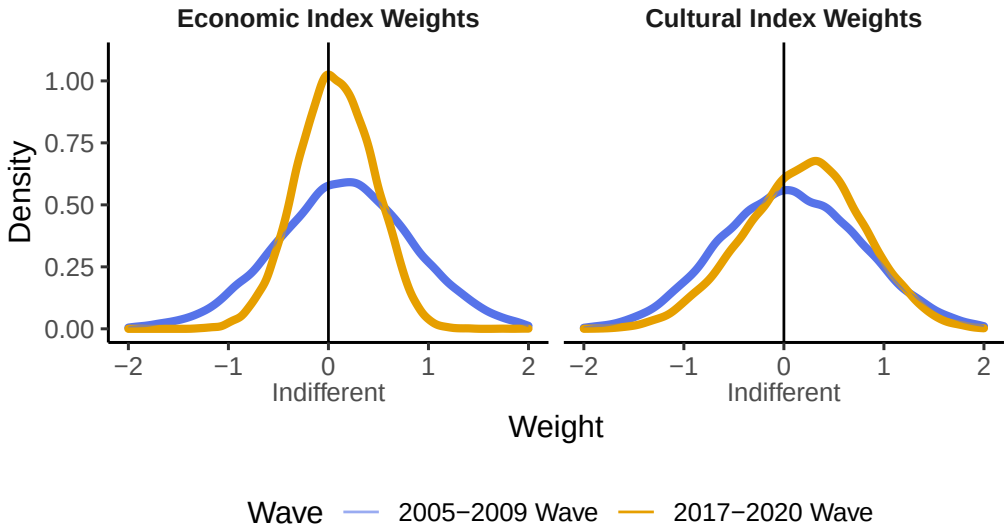
Changes in Voting Weights, Fixed Voter Characteristics

- Weights on economic positions more concentrated around 0

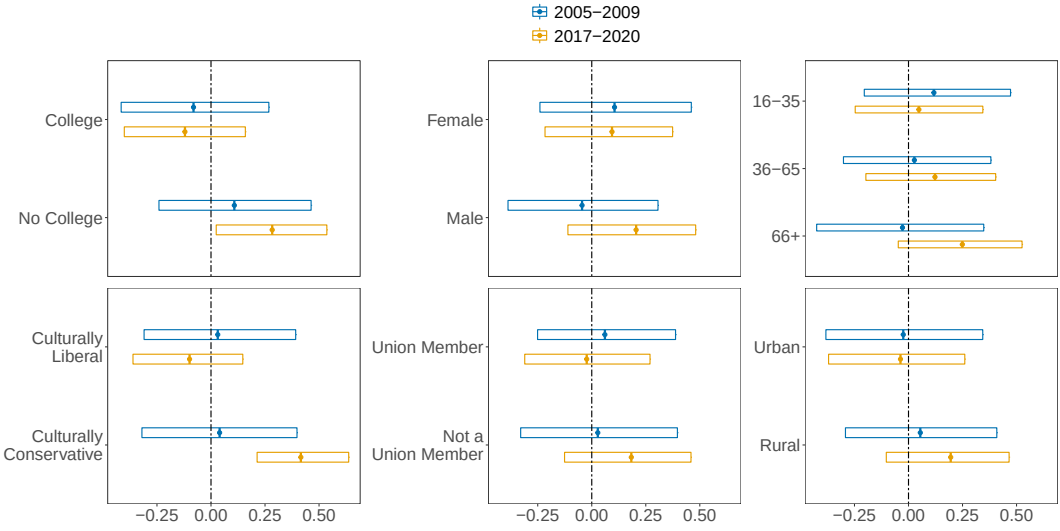


Changes in Voting Weights, Fixed Voter Characteristics

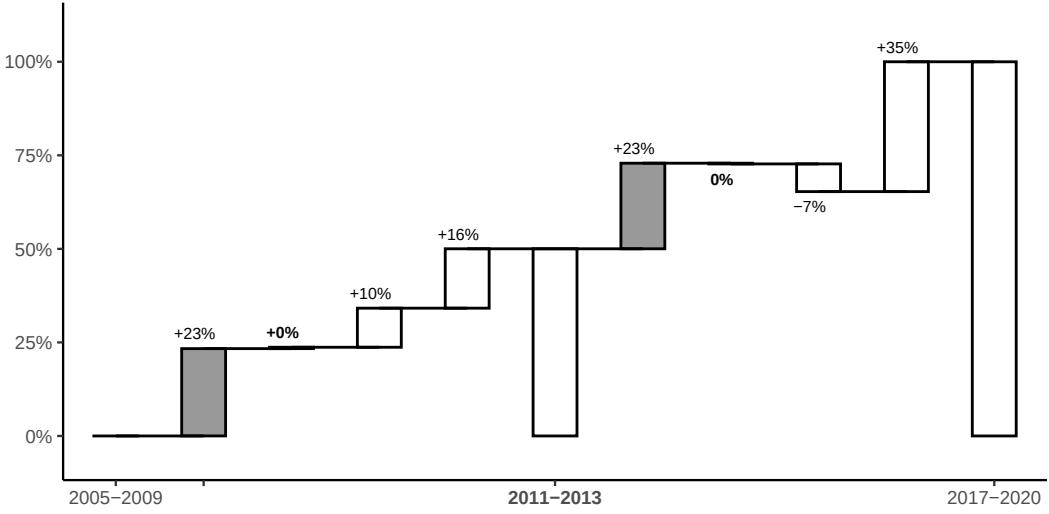
- Weights on cultural positions shifted to the right



Polarization in Cultural Priorities



Residuals



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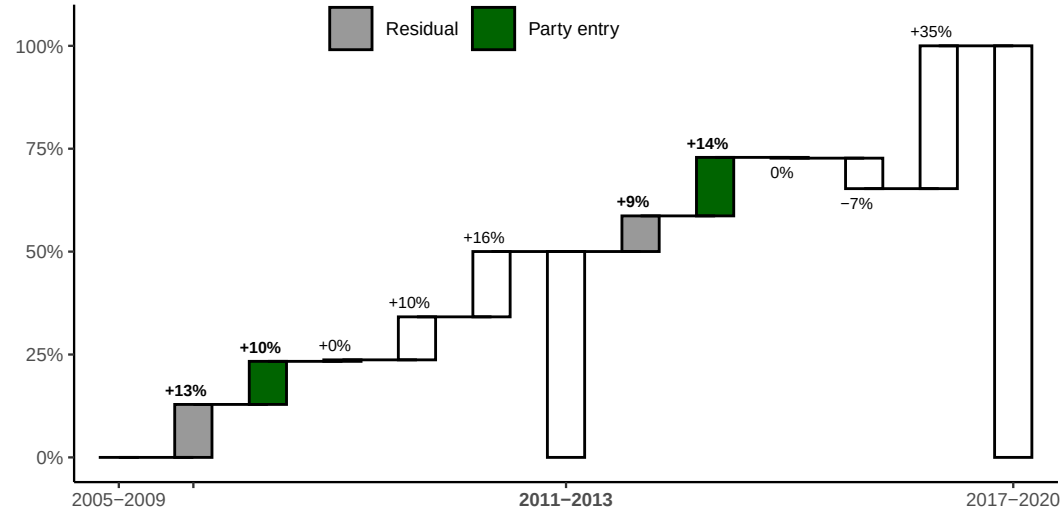

Number of PRRP | Party Positions

Conclusions

How has the support for PRRP increased?

- Changes in voter priorities drive recent PRRP support
  - Empirical evidence that voters prioritize cultural positions
  - Reservoir of populist voters was activated (Bartels, 2017)
- Inconsistent with theories arguing
  - Party positions changed
  - Wave in public opinion

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- Future research
  - Why do priorities change?
  - Can use the same methodology to decompose additional political trends

Thank You!

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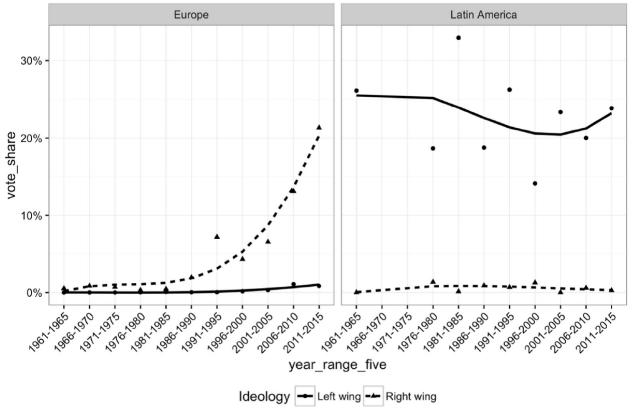
Populist Rise

Back



(Rodrik, 2018)

To sum up, various attempts to classify populists and to quantify their rise deliver a strikingly similar message: in the 21st century, there has been a recent rise in populists vote share of 10-15 percentage points ... This rise mostly took place in advanced economies, and mostly due to right-wing and authoritarian populist parties (Guriev and Papioannou, 2020)

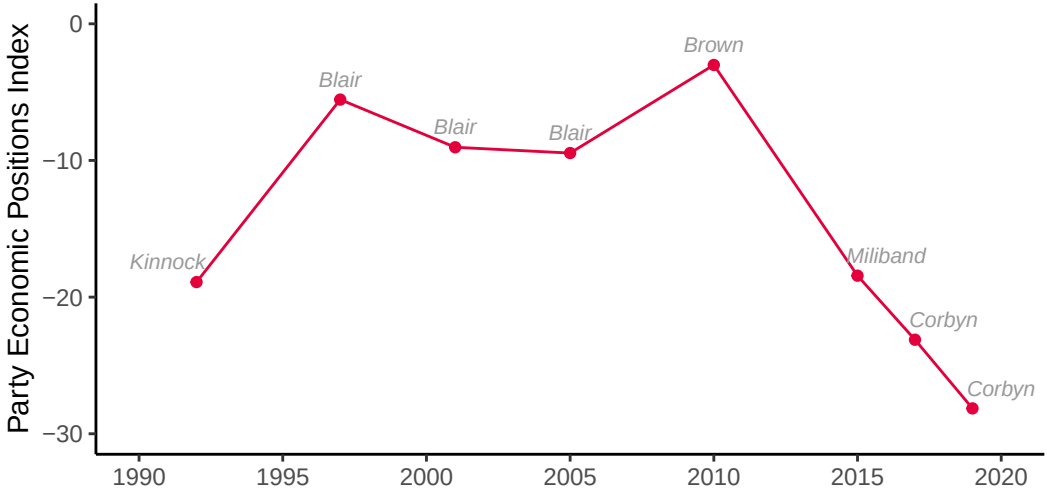
Manifesto Summary Stats

Back

	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
Top 5 Distinctive Variables				
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 Example, UK

Back



Manifesto Example, UK

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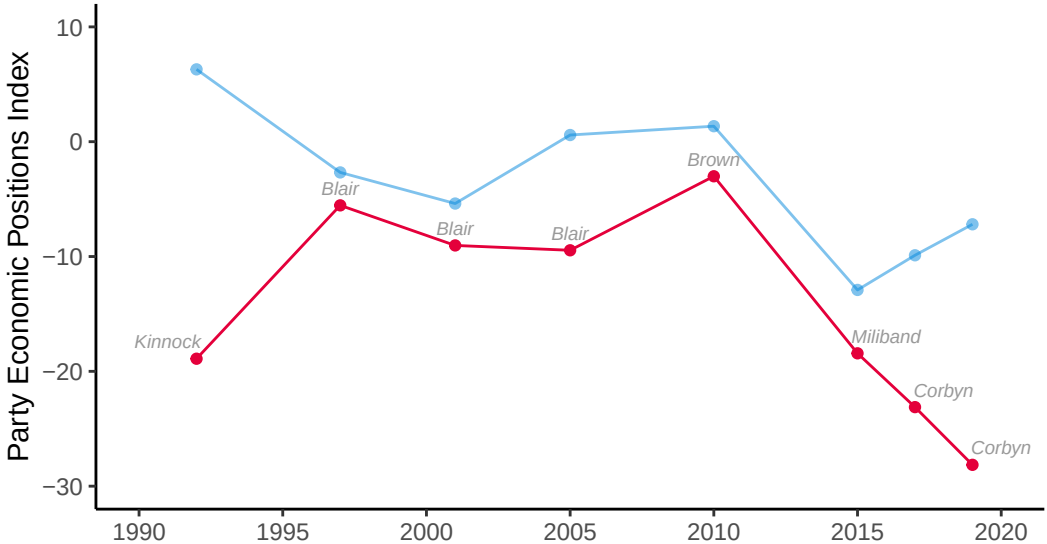
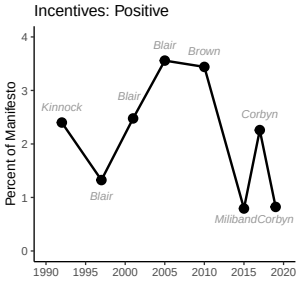
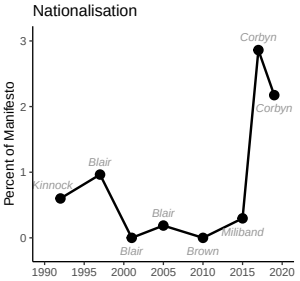
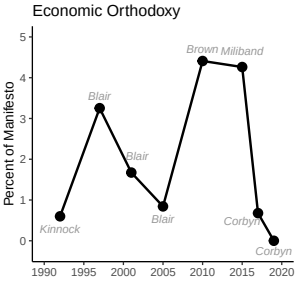


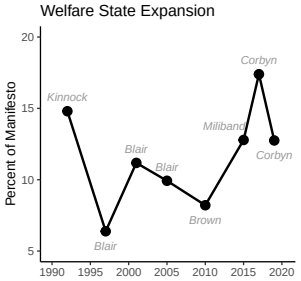
Manifesto Example, UK

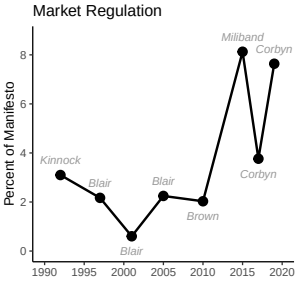
Back











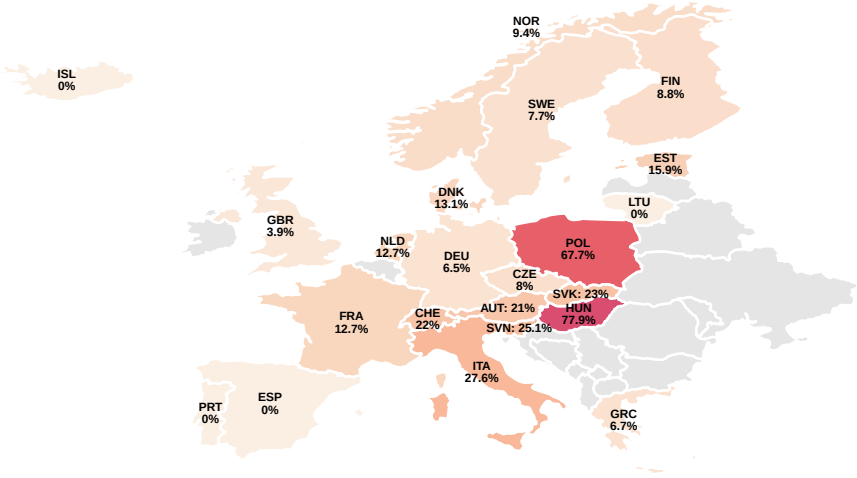
IVS Summary Stats

Back

	2005-2009		2017-2020	
	PRRP	Other Parties	PRRP	Other Parties
Demographics				
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
Most Distinctive Opinions				
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

Populist Support in 2017-2020, IVS

Back



Data Summary Other Data

Data Summary

Table: IVS Data Analyzed

Wave	Countries	Parties	Radical Right Parties	Observations
2005–2009	22	151	19	26,153
2017–2020	22	173	28	27,105

Data Merged

Data Summary

Table: IVS Data Analyzed

Wave	Countries	Parties	Radical Right Parties	Observations
2005–2009	22	151	19	26,153
2011–2013	**7**	**53**	**6**	**6,377**
2017–2020	22	173	28	27,105

Data Merged

Other data

Back

- Determine if parties are Populist Radical Right Parties (PRRP) using PopuList
  - Recently updated and used often
  - Similar to other definitions (Guriev and Papioannou, 2020)

- Determine other party families using Manifesto

Economy Index

Back

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	+

Culture Index

Back

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 countrys nation, history, and general appeals	+
National Way of Life: Negative (per602)	Unfavourable mentions of the manifesto countrys 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 Data Analyzed

Back

	Unique Parties	Unique Radical Right Parties	Observations	Radical Right Supporters
1) All data	.	.	91,425	.
2) Respondents supporting a party	354	.	63,187	.
3) Respondents matched with CMP	210	32	59,635	7,934

Linearity

Back

- How does linearity affect out model
  - $U_{ij} = \sum_k [-(z^*_{ik} - z_{jk})^2] + \zeta_j + \varepsilon_{ij}$
    - Assume $z^*_{ik} = \kappa_k x_i + \gamma_k$
  - $U_{ij} = \sum_k [-(\kappa_k x_i + \gamma_k - z_{jk})^2] + \zeta_j + \varepsilon_{ij}$

- Can rewrite as
  - $U_{ij} = x_i' \Phi z_j + \delta(x_i) + \beta_1' \sum_j z_j + \beta_2' \sum_j z_j^2 + \zeta_j + \varepsilon_{ij}$
  - Ignore constant added to all parties:
    - $U_{ij} = x_i' \Phi z_j + \beta_1' \sum_j z_j + \beta_2' \sum_j \mathbf{z_j^2} + \zeta_j + \varepsilon_{ij}$

- Only difference: z^2 in addition to $z \Rightarrow$
  - Will affect β and ζ, not Φ

Estimation: Two-Step Procedure

Define δ_j as the utility gain from party j that is common across voters

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

Assume ε_{ij} has a Gumbel (logit) distribution, the probability to vote for party j is

$$P(z_j|x_i) = \frac{exp(x_i \Phi z_j + \delta_j)}{\Sigma_k exp(x_i \Phi z_k + \delta_k)}$$

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- **Step 1** : estimate $\widehat{\Phi_t}$ and all $\widehat{\delta}_{j,t}$ separately for each wave t using penalized-MLE

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- **Step 1** : estimate $\widehat{\Phi_t}$ and all $\widehat{\delta}_{j,t}$ separately for each wave t using penalized-MLE
- **Step 2** : estimate $\widehat{\beta_t}$ using estimates $\widehat{\delta}_{j,t}$ from all waves

Stage 1: Penalized MLE

Back

- Challenge: Φ has a large dimension (~5000)
- Solution: penalize $||\Phi||$ with nuclear norm

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

- Nuclear norm
  - Generates low-rank solutions, individuals expected to vote based on a few dimensions (Kriesi et al., 2008; Abou-Chadi and Hix, 2021)
  - Computationally easier to solve (convex optimization problem)
  - Used in other econometric settings (Athey et al., 2021)
- Solve using proximal gradient descent (Hastie et al., 2019)
- Choose penalty λ using cross validation

Stage 2: Beta and Zeta

Back

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

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

  - Control for party fixed-effect η_j
  - Add additional waves for more power

Stage 2: Beta and Zeta

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  - Control for party fixed-effect η_j
  - Add additional waves for more power
  - $\widehat{\eta_j} + \widehat{\nu_{jt}} = \widehat{\zeta_{jt}}$ the party valence

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  - Control for party fixed-effect η_j
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- Estimate β based on within-party variation over time

$$\Delta\hat{\delta}_j = \Delta\beta\overline{z_{j,}} + \overline{\beta}\Delta z_j + \Delta\nu_{jt}$$

Stage 2: Beta and Zeta

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  - Could be due to party positions, weights, residual
- Estimate the following linear model for all waves jointly

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  - Control for party fixed-effect η_j
  - Add additional waves for more power
  - $\widehat{\eta_j} + \widehat{\nu_{jt}} = \widehat{\zeta_{jt}}$ the party valence

- Estimate β based on within-party variation over time

$$\Delta\hat{\delta}_j = \Delta\beta\overline{z_{j,}} + \overline{\beta}\Delta z_j + \Delta\nu_{jt}$$

Stage 2: Dimension Reduction

Back

- Assume a linear trend in β

$$\beta_{t+1} = \frac{\beta_{t+2} + \beta_t}{2}$$

- Restrict parameter space of β to avoid over-fitting
  - Restrict β_t based on Φ_t
  - Factors that determine weight differences are the same to determine weights absolute value
  - Use first 5 dimensions from SVD of Φ

Nuclear Norm

- Writing

$$x_i' \Phi z_j = \sum_{l-1}^{L} \lambda_l < u_l' x_i, v_l' z_j >$$

  nuclear norm is sum of the singular values $\sum |\lambda_l|$
- Yields low L (convex envelope of the rank function)

Bliss Point Model Similarity

Back

Assume that voters have a bliss point which is a linear function of their observables

$$U_{ij} = \|z_j - Ax_i\|^2 + \zeta_j + \varepsilon_{ij}$$

under some norm $\|a\|^2 = \sum_k \beta_k^2 a_k^2$ then

$$U_{ij} = x_i \Phi z_j^{'} + \delta_j$$

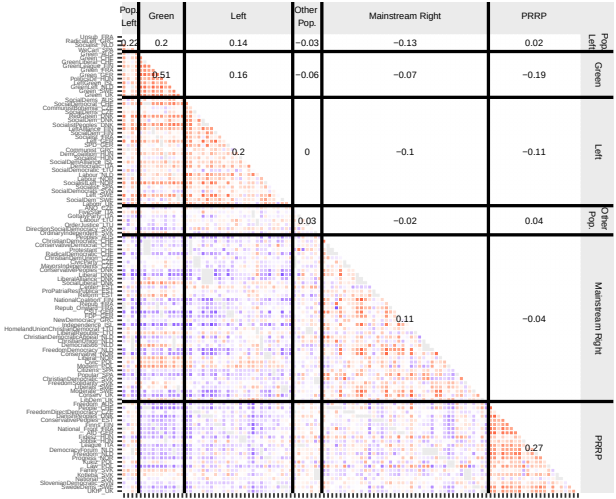
with $\Phi = A * diag(\beta)$ and $\delta_j = z^2\beta^2 + \zeta_j$.

Our model misspecifies δ_j

- The misspecification would be attributed to ζ_j.

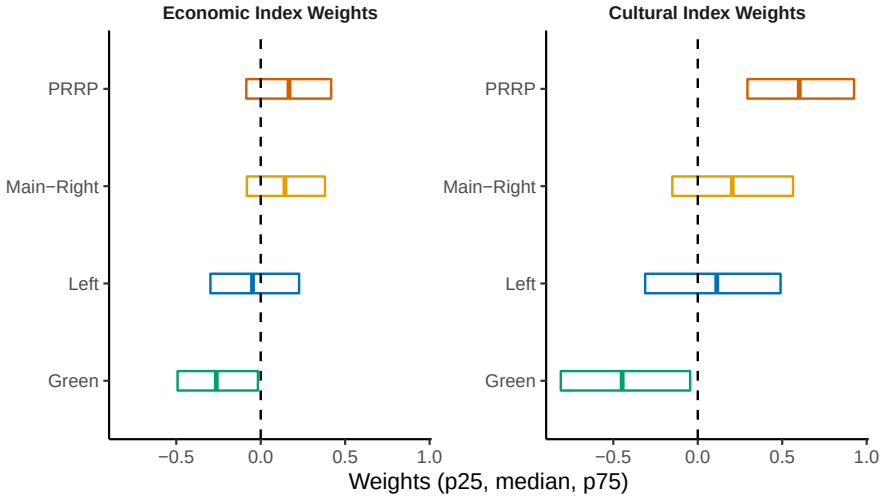
Correlation between Parties

Back



Aggregate Weights by Party Category 2017-2020

- Utility impact if party shifts 1σ to the right



Individual Weights

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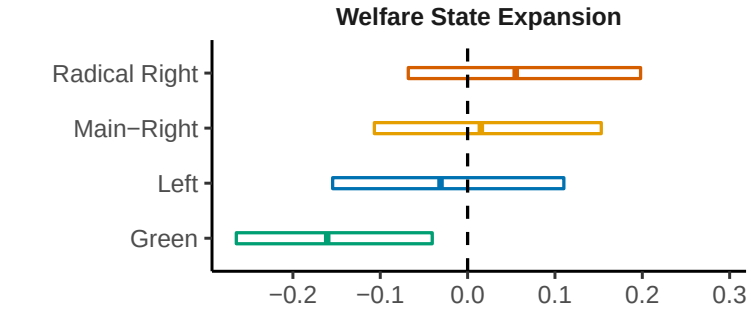
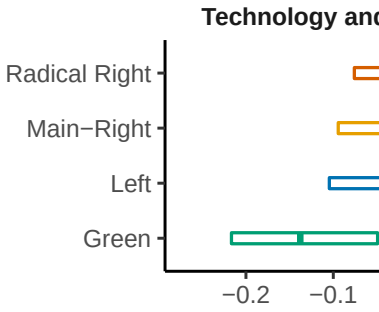
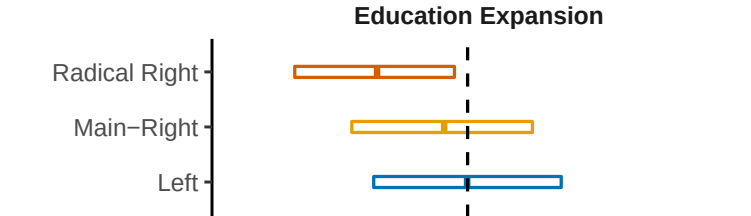
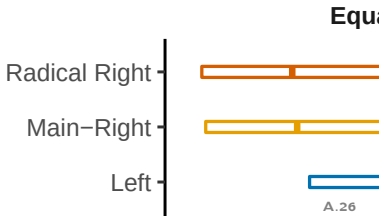
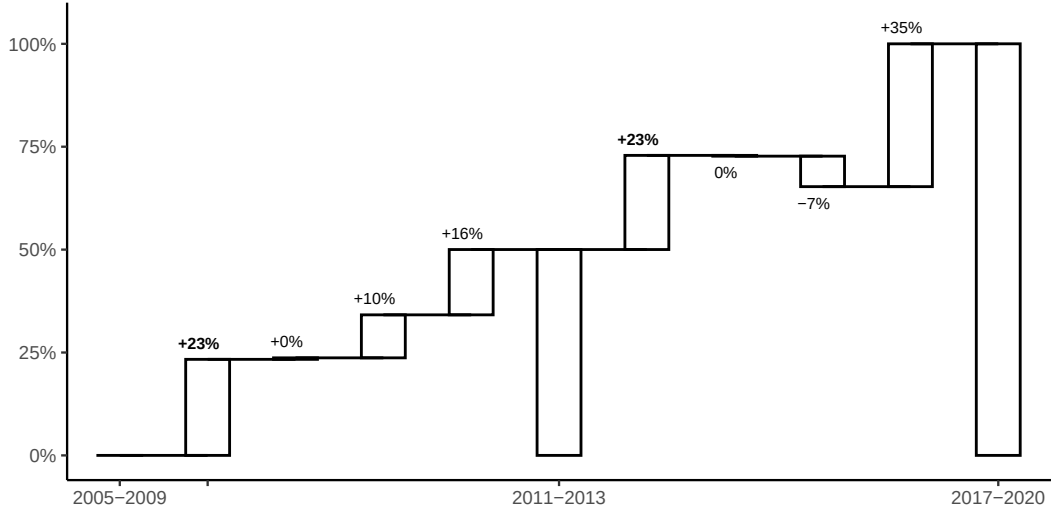






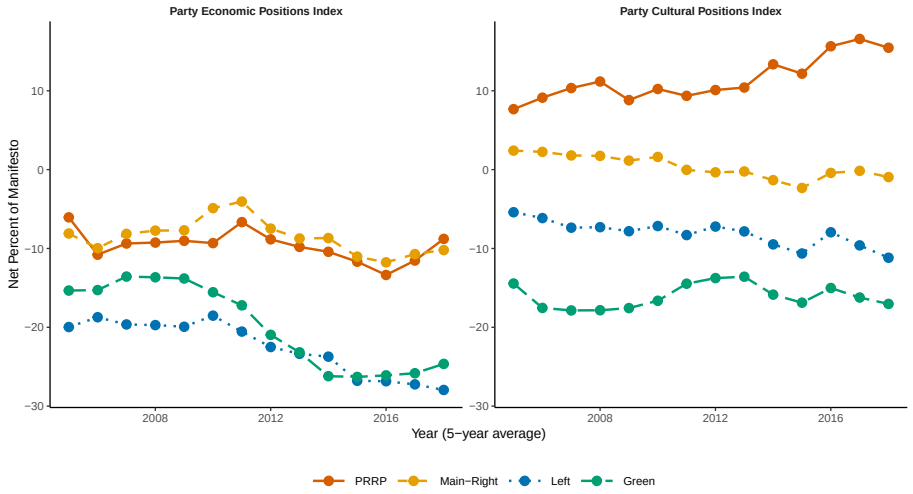


Party Positions Do Not Drive Populist Support



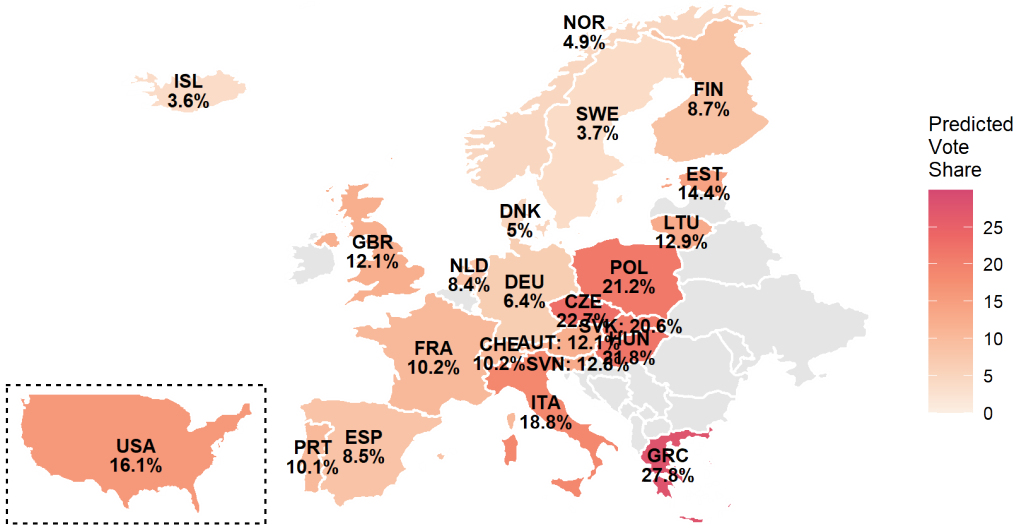
Shift in Positions

Back



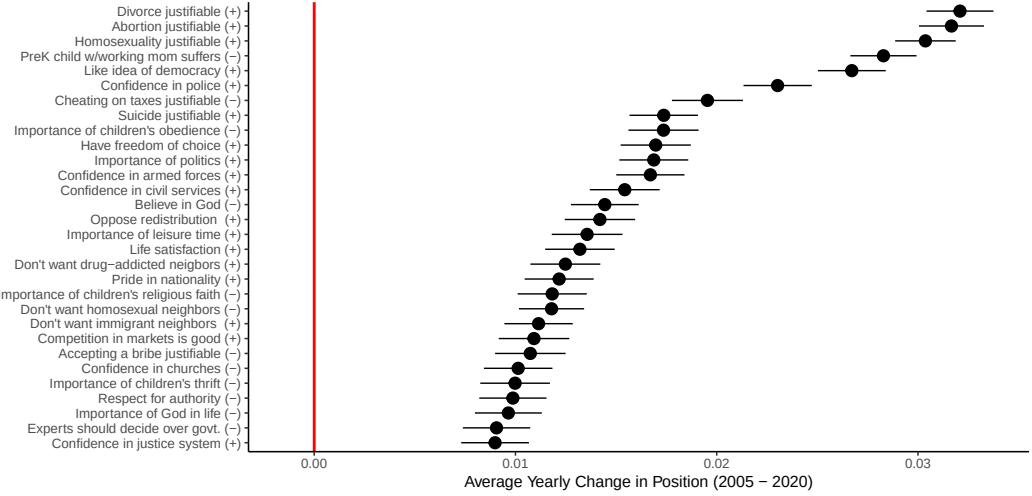
Geographical Decomposition, 2017-2020, Germany

Back

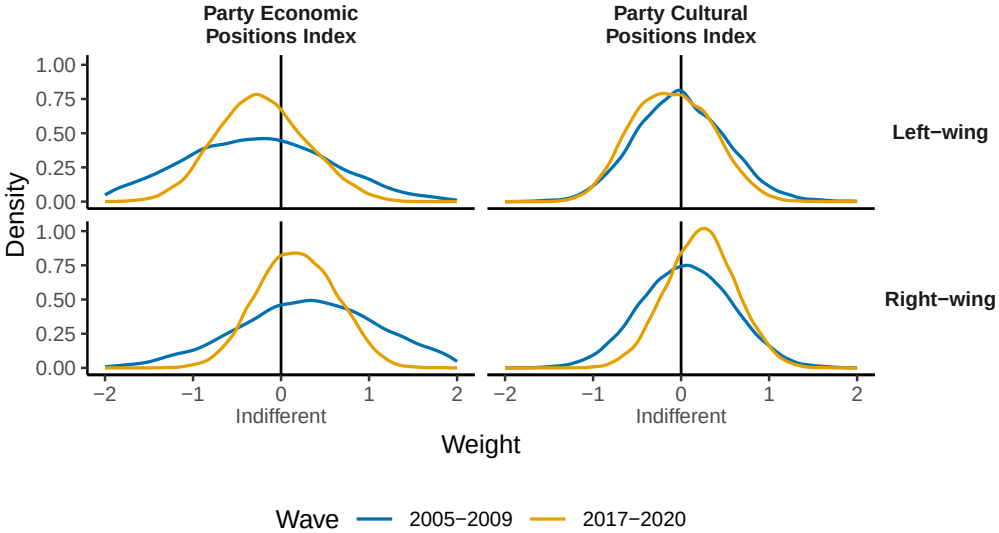


Opinions Over Time

Back

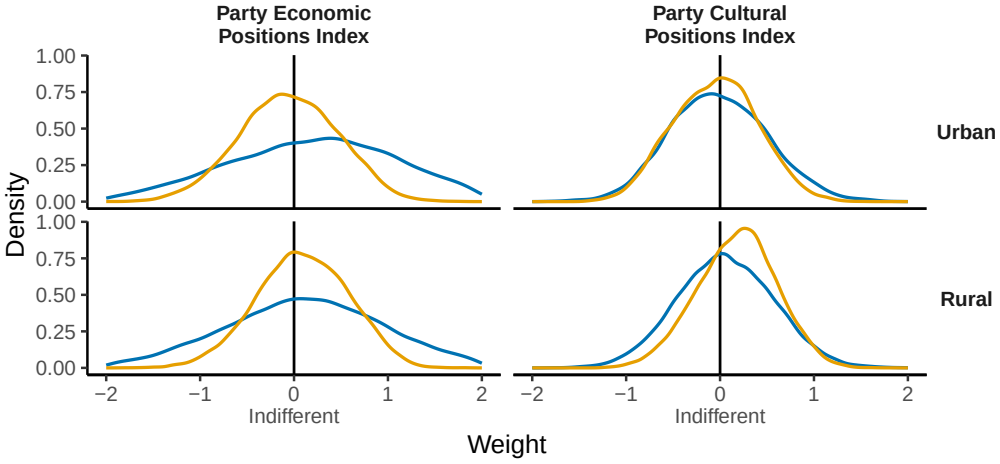


Priority Changes by Self-Reported Ideology



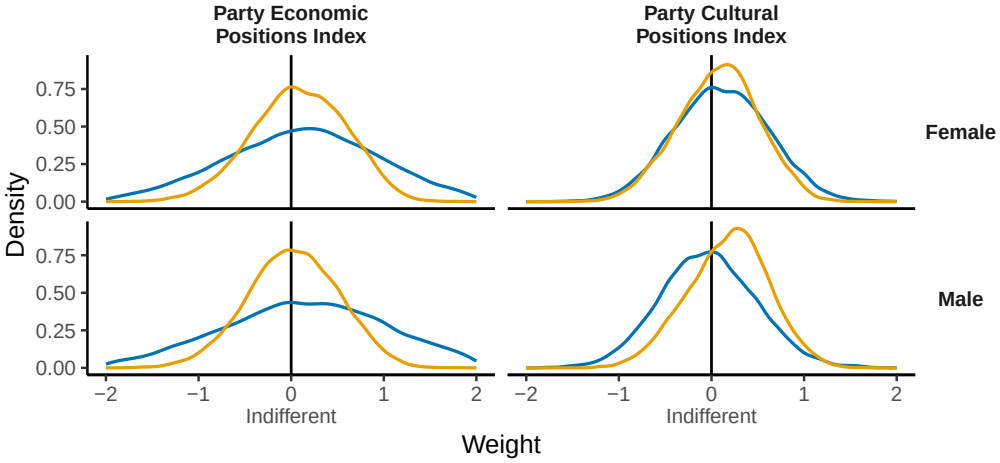
Priority Change - College Graduation Status

Back



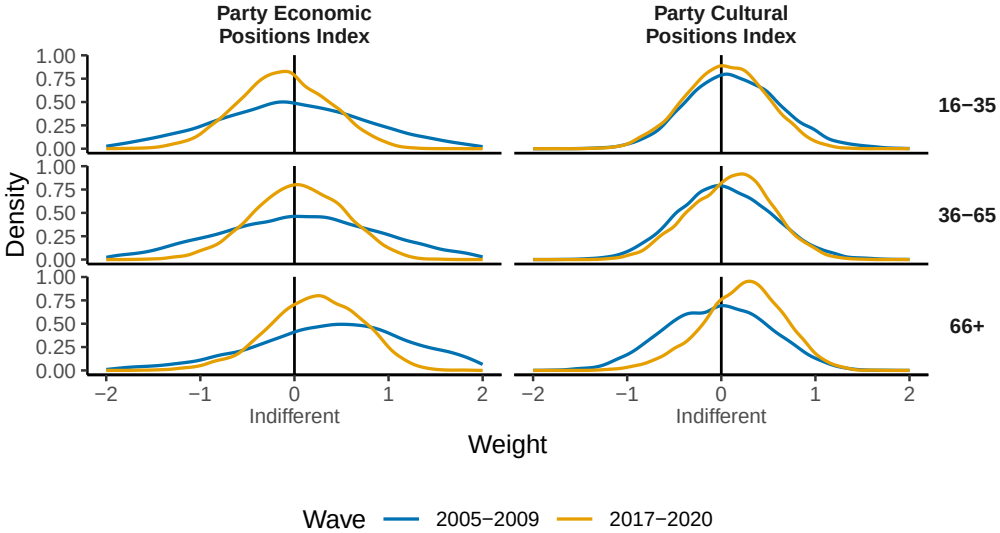
Priority Change - Gender

Back



Priority Change - Age

Back



Priority Change - Union Status

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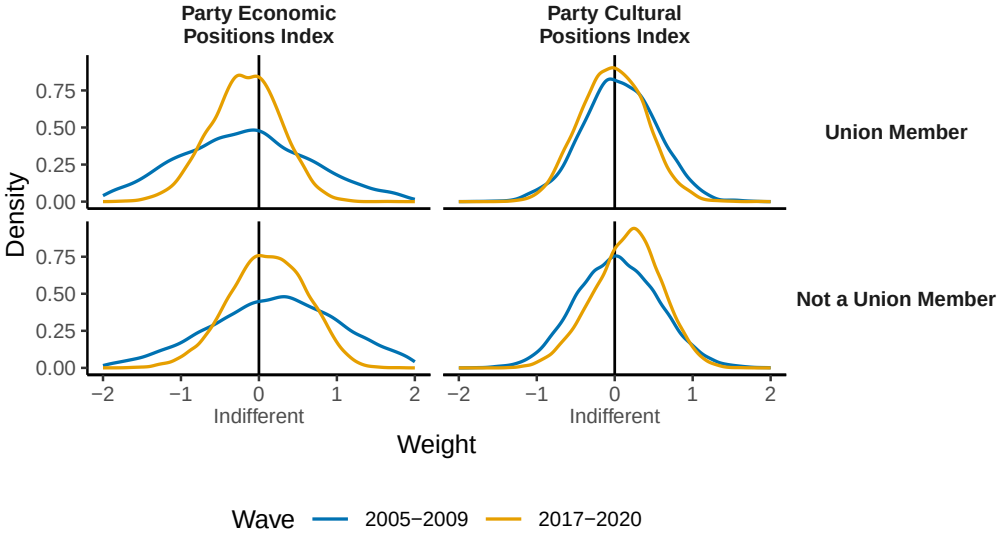

Priority Change - PRRP Score

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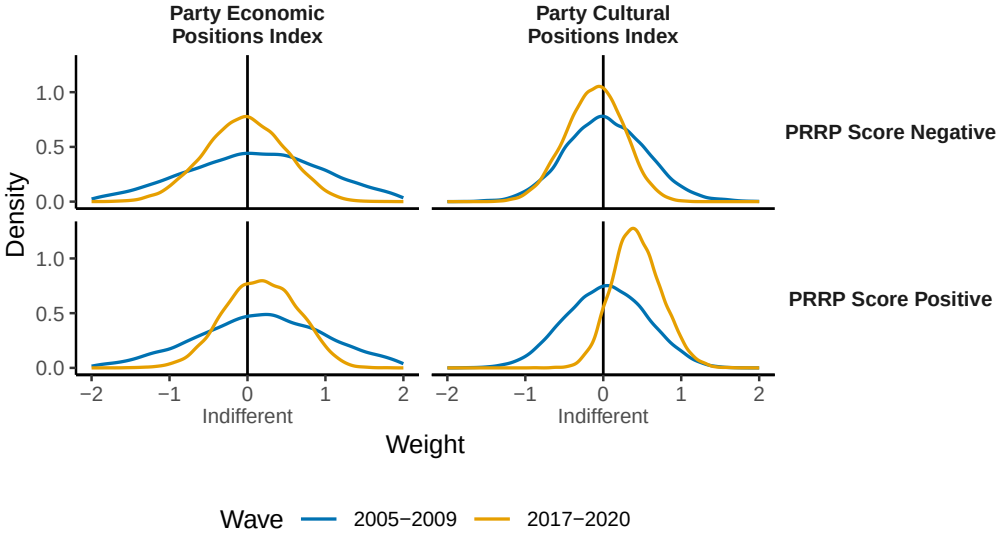

Economics Weights - Reduced Form

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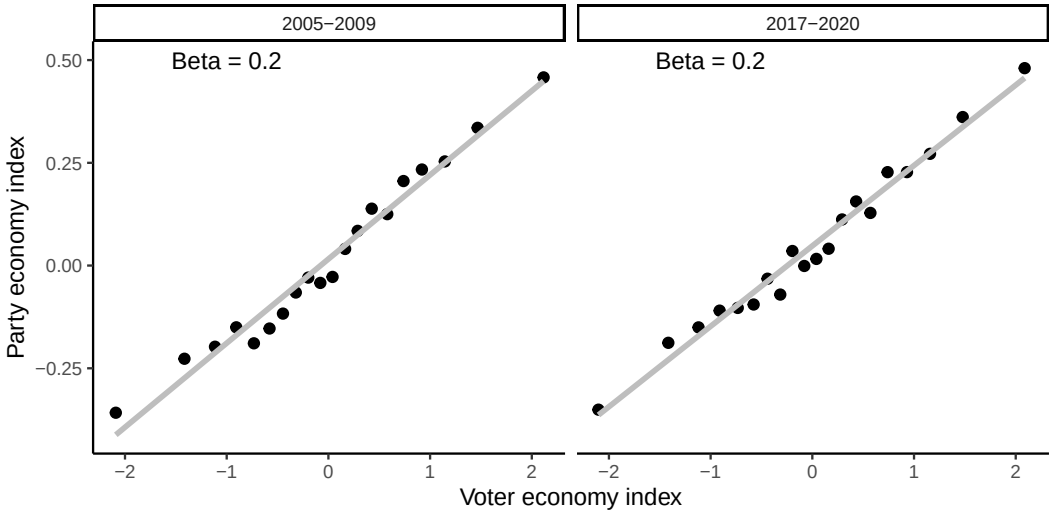
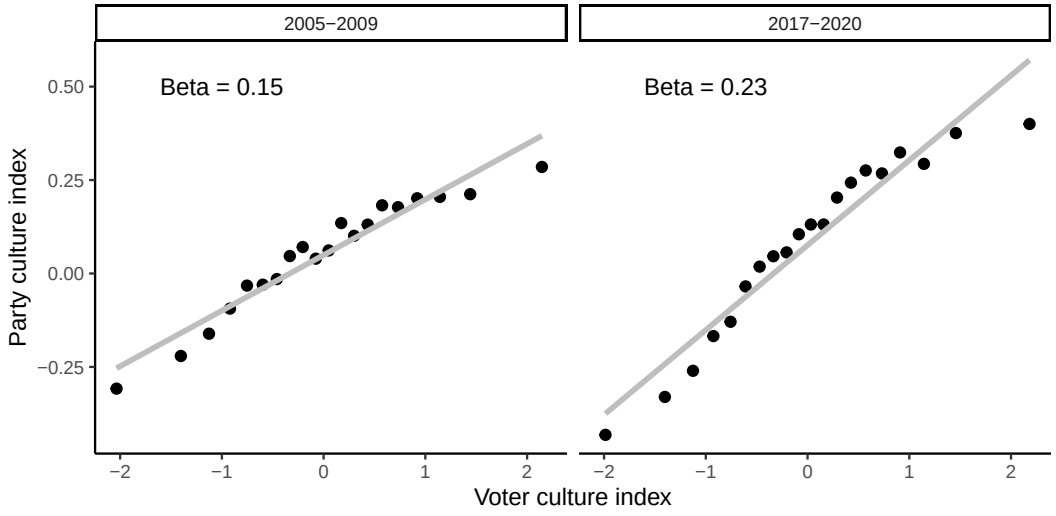


Culture Weights - Reduced Form

Back



Culture Weights - Traditional Morality vs. New Populism

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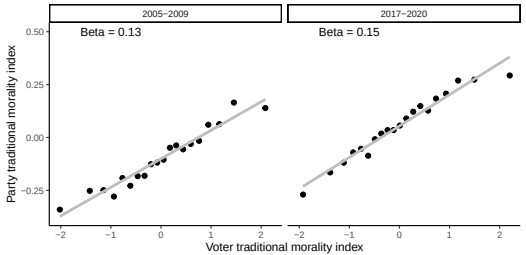

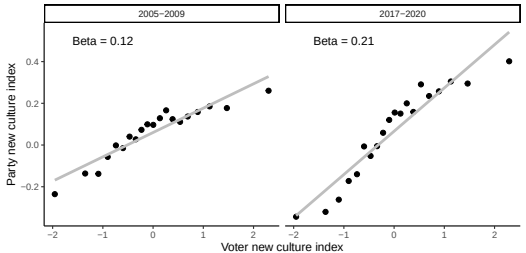

Number of PRRP by Country

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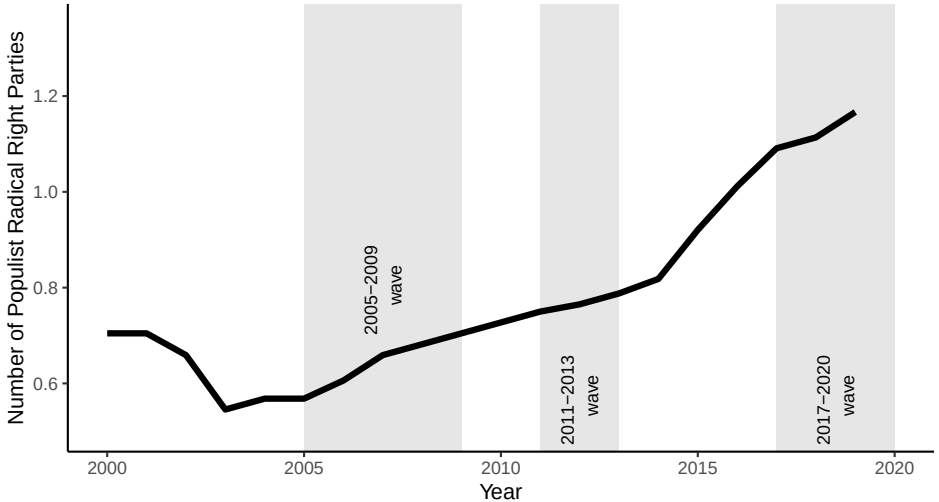
- 38% (from total of 49%) of residual is driven by new entries.
  - Supply shock vs endogenous entrance (Guiso et al., 2017; Cantoni et al., 2020)



Share of Countries with Far-Right Populist

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