



Working paper

2023

Open Access

This version of the publication is provided by the author(s) and made available in accordance with the copyright holder(s).

Falling Behind Whom? Economic Geographies of Right-Wing Populism in Europe

Shraff, Dominik; Pontusson, Harry Jonas

How to cite

SHRAFF, Dominik, PONTUSSON, Harry Jonas. Falling Behind Whom? Economic Geographies of Right-Wing Populism in Europe. 2023

This publication URL: <https://archive-ouverte.unige.ch/unige:167971>

UNEQUAL DEMOCRACIES

Working paper n°39

March, 2023

Falling Behind Whom? Economic Geographies of Right-Wing Populism in Europe

Dominik Shraff (University of Aalborg)
(dosc@dps.aau.dk)

Jonas Pontusson (University of Geneva)
(jonas.pontusson@unige.ch)



ABSTRACT:

Europe has seen a rise and territorial polarization in the electoral success of right-wing populist parties (RWPPs). Existing studies show that right-wing populism appeals to a broad spectrum of people in communities that have fallen behind in material terms. This paper adds to this debate by investigating the social comparisons behind the discontent that motivates right-wing populist voters. We argue that the structure of territorial inequalities influences the benchmarks used by people who perceive themselves as falling behind. Using panel data regressions on a novel dataset on subnational election results in all EU states from 1990-2018, we find a strong association between an increase in the distance to the richest region of the country and RWPP support. However, we find that this association only holds for richer member states. In poorer EU states, changes in the distance to average GDP per capita of the rich member states turn out to be a significant predictor of regional support for RWPPs. Taken together, these findings suggest that RWPPs in poorer member states mobilize resentment against people in the EU core, while RWPPs in richer member states mobilize resentment against people in economically dynamic areas.

ACKNOWLEDGEMENTS:

Dominik Schraff's work on this paper was supported by an Ambizione Grant from the Swiss National Science Foundation (Grant no. 186002). Jonas Pontusson's contribution was funded by the European Research Council under the European Union's Horizon 2020 research and innovation programme (Advanced Grant no. 741538). An earlier version of the paper was presented at the Annual Meeting of the American Political Science Association (Montreal) in September 2022 and at a workshop at the University of Copenhagen in October 2022. We thank the participants in both events for constructive feedback.

The rise of right-wing populist parties (or right-wing populist forces within mainstream Right parties) has been a ubiquitous trend in liberal democracies over the last two decades and, as such, has attracted a lot of scholarly attention. Exemplified by Inglehart and Norris (2019), one prominent strand of the literature on this topic identifies cultural values related to immigration, cosmopolitanism and supra-national governance as the key determinants of individual support for right-wing populist parties and argue that the rise of right-wing populism should first and foremost be seen as a reaction against the cultural and political advances of the postmaterialist Left since the 1980s. Against this interpretation, a number of recent studies seek to explain right-wing populism as a response to some combination of technological change, rising income inequality and economic stagnation.

The “materialist” alternative to Inglehart and Norris’ “culturalist” account takes essentially two forms. Focusing on inequalities between individuals or households, a number of studies show that the effects of labor-market insecurity and relative deprivation are not linear (Rovny and Rovny 2017, Burgoon *et al* 2019, Kurer 2020 and Engler and Weisstanner 2021). Crudely put, the core message of these studies is that right-wing populist parties appeal to people in the middle (or lower middle) of the income distribution who have fallen behind or, at least, perceive themselves as having fallen behind in terms of social status and relative income—self-employed people and clerical workers as well as semi-skilled and skilled production workers. The populist voters are not the poorest and most precarious segment of the electorate; rather, they are people who think they used to be part of the “prosperous middle class” and no longer see themselves as such (see also Gidron and Hall 2019). The other materialist account of right-wing populism shifts the focus of attention from individuals to communities or other territorial units (e.g., Rodríguez-Pose 2018 and Broz, Frieden and Weymouth 2021). From this perspective, forcefully articulated by McNamara

(2017), right-wing populism appeals to a broad spectrum of people in communities that have fallen behind in material terms.

The empirical analysis presented in this paper pertains to the literature on the relationship between territorial inequalities and right-wing populism. However, we seek to make a broader contribution by bringing to the fore the question of benchmarks or “reference groups.” The notion of “falling behind” features prominently in both of the materialist alternatives to Inglehart and Norris’ account of the rise of right-wing populism. The obvious question arises: Falling behind whom? Or, in other words, what are the social comparisons behind the discontent that motivates right-wing populist voters? A definitive answer would require a customized survey with an experimental design, but we believe that insights into this question might be gained through an analysis of regional variation in support for right-wing populist parties. The core proposition that emerges from our analysis is that the structure of territorial inequalities (cf. Lupu and Pontusson 2011) influences the benchmarks used by people who perceive themselves as falling behind.

The analysis leverages a new dataset on parliamentary election results at the sub-national level, the European NUTS-Level Election Dataset (EU-NED), to explore within-country, over-time variation in support for right-wing populist parties. Encompassing 1,195 regional units, the EU-NED records party vote shares at the lowest regional level available (NUTS 2 or 3) for EU member states and associated countries from 1990 to 2018 (Schraff, Vergioglou and Demir 2022).¹ Matching these data with EU data on GDP per capita for the same regional units, we explore the effects of GDP per capita and measures of the region’s relative GDP per capita on support for right-wing populist parties. With models that include region- and year-fixed effects, we estimate how right-wing populist support responds to changes in relative and absolute regional income.

¹ For lack of data on independent variables, the following analysis is restricted to 1,053 regional units in 26 countries.

To anticipate briefly, we find a strong association between an increase in the distance to the richest region of the country and right-wing populist support when we pool all available data. When we split our sample into rich and poor EU member states, we find that this association only holds for rich member states. However, changes in the distance to average GDP per capita of the rich member states turn out to be significant predictor of regional support for right-wing populist parties in the poor member states. Taken together, these findings suggest that right-wing populists in poor member states cue on how they are faring relative to distant others (people in the EU core), while right-wing populist supporters in rich member states cue on how they are faring relative to people in dynamic (metropolitan) regions of their own country.

The rest of the paper is organized as follows. First, we elaborate on our understanding of right-wing populism, discuss alternative benchmarks for social comparisons and set our core hypotheses. Secondly, we provide further information about the data we analyze and present descriptive patterns in the data. Thirdly, we specify the models that we estimate and introduce control variables. Fourthly, we present the empirical results. Finally, we elaborate on the implications of our results, point out the limitations of our analysis and suggest avenues for further theorizing and research.

1. Literature and theory

The dependent variable of our empirical analysis is regional support for right-wing populist parties in parliamentary elections. We operationalize “right-wing populist parties” (henceforth RWPPs) by combining the PopuList coding of parties as “populist” and as “far Right” (Rooduijn et al. 2019). Following Mudde (2004, 2007), the PopuList coding scheme defines “populist parties” as parties that argue that society is separated into two homogeneous and antagonistic groups—the

(pure) people versus the (corrupt) elite—and claim to represent the general will of the people. “Far Right parties” are in turn defined as nativist and authoritarian.²

Students of American politics commonly emphasize the growing importance of the divide between urban and rural voters or, more precisely, between voters in large cities and voters in smaller cities and rural areas and, relatedly, the growing polarization between “blue states” and “red states” (e.g., Gimpel *et al* 2020). It is difficult to imagine an explanation of the right-wing populist turn of the Republican Party in the 2010s that does not take into account divergent economic trajectories across US states (see Grumbach, Hacker and Pierson 2021 as well as McNamara 2017). Cross-regional variation in support for right-wing populist parties and policy initiatives has also been widely recognized by student of European politics, with the 2016 Brexit referendum commonly considered to be exemplary of a more or less universal pattern (see Hobolt 2016, Essletzbichler, Disslbacher and Moser 2018 as well as Broz, Frieden and Weymouth 2021). The outcome of the 2022 Swedish election is a recent case in point. Increasing their national vote share from 17.5% to 20.5%, the right-wing populist Sweden Democrats emerged from this election as the country’s largest “bourgeois” (i.e., non-Left) party, but their vote share in Stockholm, the country’s largest city and the electoral district with the fastest economic growth since the previous election, increased by less than one-percentage point and was barely half of their national vote share (10.7%).³

There is also broad consensus in existing literature that resentment is an important motivation for many people who are attracted to right-wing populist rhetoric and programs. While

² In our usage, “right-wing” is interchangeable with “far Right” and “radical Right.” Our preference for the term “right-wing” is purely aesthetic. While many recent studies posit common determinants of left-wing and right-wing populism, Burgoon *et al* (2019) emphasize the need to distinguish between left-wing and right-wing populism. Exploratory analyses indicate that the results presented in this paper pertain specifically to regional support for right-wing populist parties.

³ The SD vote share in Gothenburg, the second largest city, was 14.7% (+1.2) and their vote share in Malmö, the third-largest city, was 16.4% (-.04). Source: Statistics Sweden, <https://www.scb.se/en/finding-statistics/statistics-by-subject-area/democracy/general-elections/general-elections-results/>

Cramer (2016) provides a penetrating analysis of rural resentment in Wisconsin, Gest (2016) documents the resentment of middle-age male workers living in American and British towns that have experienced de-industrialization over several decades. In a related vein, Burgoon *et al* (2019) argue that “scapegoating” features prominently in the appeal of RWPPs: scapegoating of immigrants, racial minorities and, more generally, undeserving recipients of welfare benefits or other kinds of government favors. Crucially, we think, the rhetoric of right-wing populists combines this focus on the undeserving beneficiaries of public policy with a critique of political elites – the national political establishment (“Washington” in the case of the US), but also supranational elites (Brussels).⁴ In the world view of Trump voters and their European equivalents, it is not Blacks or immigrants that are to be blamed, but rather free-trade and socially-liberal elites who favor Blacks and immigrants over “ordinary people.”⁵

As noted by aforementioned scholars (and many others), the politics of resentment appear to be closely linked to perceptions of relative deprivation or, more precisely, “falling behind” in terms of income, opportunities, and social status (respect). “Falling behind” might be conceived in terms of social groups – gender, social classes, or racial/ethnic groups – but it can also be conceived in territorial terms, i.e., as one’s own community (or region) falling behind other communities (regions). The territorial conception of societal cleavages is arguably most consistent with the populist idea of politics as a struggle between “ordinary people” and “elites” than group-based conceptions. By the same token, Left parties have a difficult time addressing territorial inequalities and reconciling such efforts with their traditional emphasis on vertical inequalities.

For our purposes, it is useful to return, briefly, to Runciman’s classic discussion of relative deprivation. As Runciman (1966) emphasizes, subjective perceptions of relative deprivation

⁴ Needless to say perhaps, all parties that we identify as “right-wing populist” are also coded by PopuList as “Eurosceptic.”

⁵ As documented by Hense and Schäfer (2022), perceptions of not having any political voice are closely associated with voting for RWPPs across European democracies. Most relevant for our present purposes, Lipps and Schraff (2021) explore the effects of regional inequality on trust in national political institutions and EU institutions.

depend not only on identifying oneself as member of some group or community based on “linked fate,” but also, and more importantly, on comparing one’s situation to that of some reference group (to which one does not belong).⁶ In Runciman’s formulation, resentment of class inequalities in postwar Britain was relatively limited because most individuals, especially manual workers, tended to adopt highly restrictive reference groups, comparing themselves to people more or less like themselves (e.g., workers in other sectors or workers with other skill profiles).

De-industrialization features prominently in studies that focus on regional variation in right-wing populist support within advanced capitalist societies (Broz, Frieden and Weymouth 2021). The de-industrialization argument takes two forms, which are sometimes conflated. One version conceives of de-industrialization as a characteristic of specific territorial units. The standard argument along these lines posits that some communities or regions have seen a shift of employment from relatively well-paid manufacturing jobs (often in unionized workplaces) to less well-paid service-sector jobs. The alternative formulation conceives de-industrialization as a economy-wide phenomenon, positing instead that relative earnings and social status of people working in manufacturing has declined as a result of globalization (Walter 2021) and the growth of more “knowledge-intensive” economic sectors (Iversen and Soskice 2019). With past performance of the regional units as the benchmark for populist discontent, the former argument implies that right-wing populist voting should be associated with decline in manufacturing employment. With the performance of other communities or regions as the benchmark, the latter argument implies that right-wing populist support should be associated with persistence of regional reliance on manufacturing employment.⁷

⁶ The concept of reference groups as features prominently in the work of Merton (e.g., Merton and Rossi 1968). Recent studies that emphasize the group identity as a source of preferences (Becker 2021, Donnelly 2021) focus on groups as linked fate and tend to overlook groups as benchmarks.

⁷ Bridging the two versions of the de-industrialization thesis, Berriochoa and Busemeyer (2023) explore the effects of knowledge-intensive growth at the local level (German counties) for perceptions of mobility prospects and voting behavior. Their main finding is that a higher employment share in knowledge-intensive sectors is associated with higher support for the AfD as well as the Greens.

Our empirical analysis takes changes in manufacturing employment into account, but we focus on regional GDP per capita as the basis of objective measure of how regional units are doing in relative as well as absolute terms. There are good reasons to suppose that the social fabric of old-style manufacturing communities boosted the social status of manual workers relative to their place in the income distribution and that decline of such communities accounts for some of the status loss perceived by manual workers. However, de-industrialization has also had direct effects on the position of manual workers in the (personal) income distribution and, more importantly for present purposes, direct effects on the position of manufacturing-intensive regions in the (regional) income distribution. We need to identify the relative-income effects of de-industrialization in order to capture the social-status effects of de-industrialization accurately.

In the context of the European Union, it seems plausible to suppose that the benchmarking that provides the basis for perceptions of falling behind might involve cross-national as well as within-country comparisons. Indeed, the preferred option of populist parties with a nativist/nationalist orientation is surely to mobilize resentment against privileged people outside the national borders. Framing the “problem of territorial inequality” in this manner maximizes the mobilizational potential as well as the ideological coherence of RWPPs, but it is not a readily available option to RWPPs in the richest EU member states. Santana, Zagórski and Rama (2020) argue persuasively that opposition to Europe, not just the EU, is a more important determinant of the right-wing populist in Eastern Europe than in Western Europe. More broadly, in a geographic sense, but also more specifically, in a theoretical sense, we hypothesize that falling behind the rich EU member states in terms of GDP per capita increases regional support for RWPPs in poor EU member states.

Turning to within-country comparisons, our core hypothesis is that RWPPs mobilize resentment of rich regions, construed as regions that are privileged by public policies, and downplay disparities among other regions. We hypothesize further that this dynamic is most

pronounced in rich EU member states, where the option to mobilize against “the rich abroad” is less readily available, but we leave open the possibility that it also operates in poor member states, alongside the effects falling behind rich EU member states. We test these hypotheses by estimating effects of changes in the distance to the richest region of the country in which a region is located and by splitting our sample into rich and poor EU member states.

Our analysis includes GDP per capita as well as the manufacturing share of regional employment as control variables. The literature on retrospective economic voting would lead us expect that that economic stagnation generates support for right-wing populist parties (and left-wing populist as well) to the extent that mainstream opposition parties are perceived as implicated in macroeconomic management (i.e., do not represent an alternative economic policy).⁸ On the premise that relative deprivation is key to the discontent behind right-wing populism and that relative deprivation is, by definition, “other regarding,” we expect voters in regions that remain heavily reliant on manufacturing to be particularly attracted to RWPPs and that this is particularly true when these regions fall behind in terms of GDP per capita.

2. Data sources and descriptive patterns

As articulated above, our theoretical framework posits that resentment of regional disparities in economic fortunes matter to regional support for RWPPs in poor as well as rich EU member states, but the benchmarks on which such resentment is based are different. In poor member states, right-wing populist voters are first and foremost motivated by resentment of the rich member states. In the rich member states, by contrast, right-wing populist voters are first and

⁸ Hellwig, Kweon and Vowles (2020, ch. 6) provide a convenient review of the economic voting literature and an up-to-date assessment of its core propositions.

foremost motivated by resentment of the richest regions in their country. We distinguish between rich core of the EU and the poor periphery based on GDP per capita in 2021, as reported by the World Bank. As shown in Appendix 1, national GDP per capita exceeded EU-wide GDP per capita by significant margins in 10 of the 25 countries included in our dataset.⁹ Italy's GDP per capita was below the EU average but higher than that of the other 14 member states below the EU average in 2021. On account of population size as well as its status as one of the original six member states, we assign Italy to the EU core, leaving Spain, Portugal and Greece as well as all the Central and East European member states as part of the periphery.

As background to the analysis that follows, Figure 1 reports on time trends in the RWPP vote share separately for the core and the periphery of the EU. The main take-away from Figure 1 is that electoral support for RWPPs increased dramatically in poor as well as rich member states in the course of the 2010s. Figure 2, in turn, displays a region's deviation from its country average RWPP vote share at the end of the period covered in the dataset mentioned at the outset (EU-NED). The extent of regional variation in the RWPP vote share varies across European countries, but RWPP voting is geographically structured in most countries.

⁹ Mayne and Katsanidou (2022) use a similar measure benchmarked around the EU-10 core and demonstrate how changes in this core-periphery gap shapes Euroscepticism. Note that our analysis excludes the three smallest EU member states (Cyprus, Luxembourg and Malta), for which there is no data on sub-national units.

Figure 1: Time trends in RWPP vote share, poor and rich member states

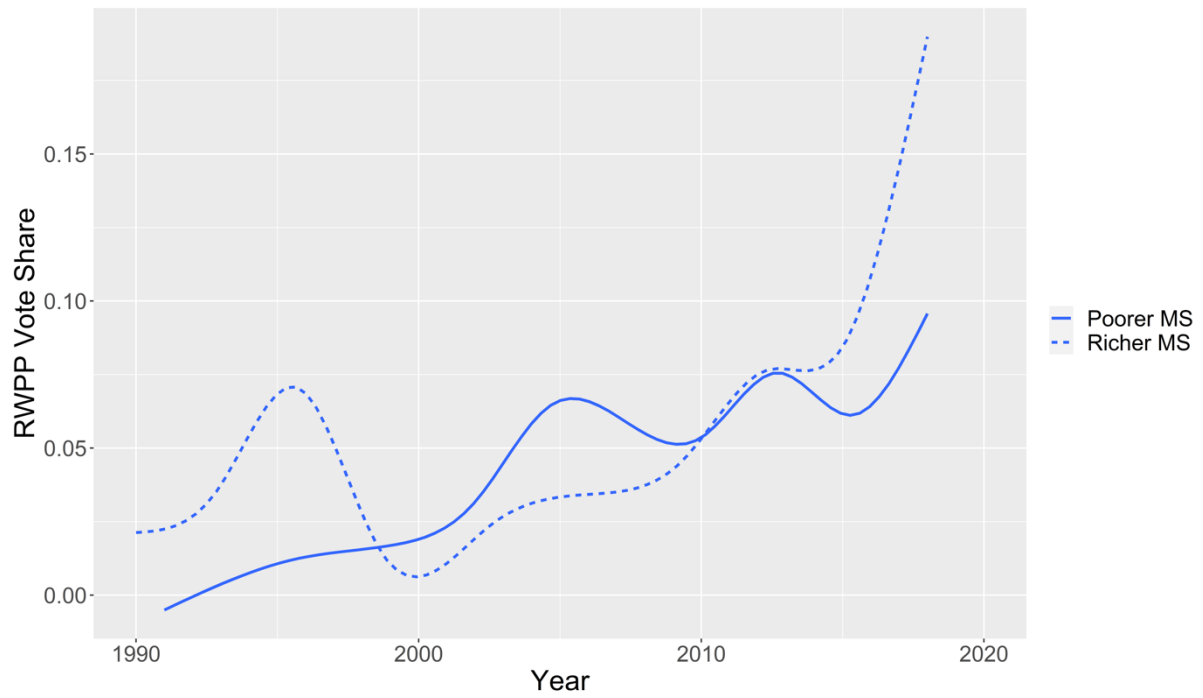
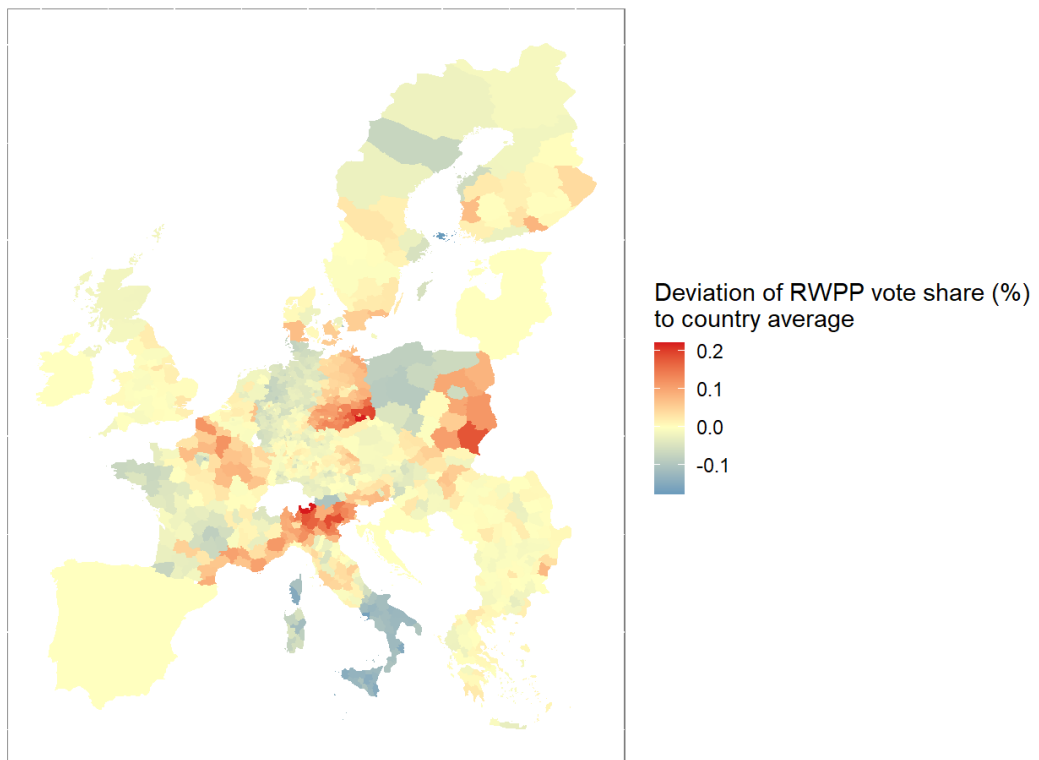


Figure 2: Regional RWPP vote shares at the end of the observation period, standardized around country mean RWPP vote shares

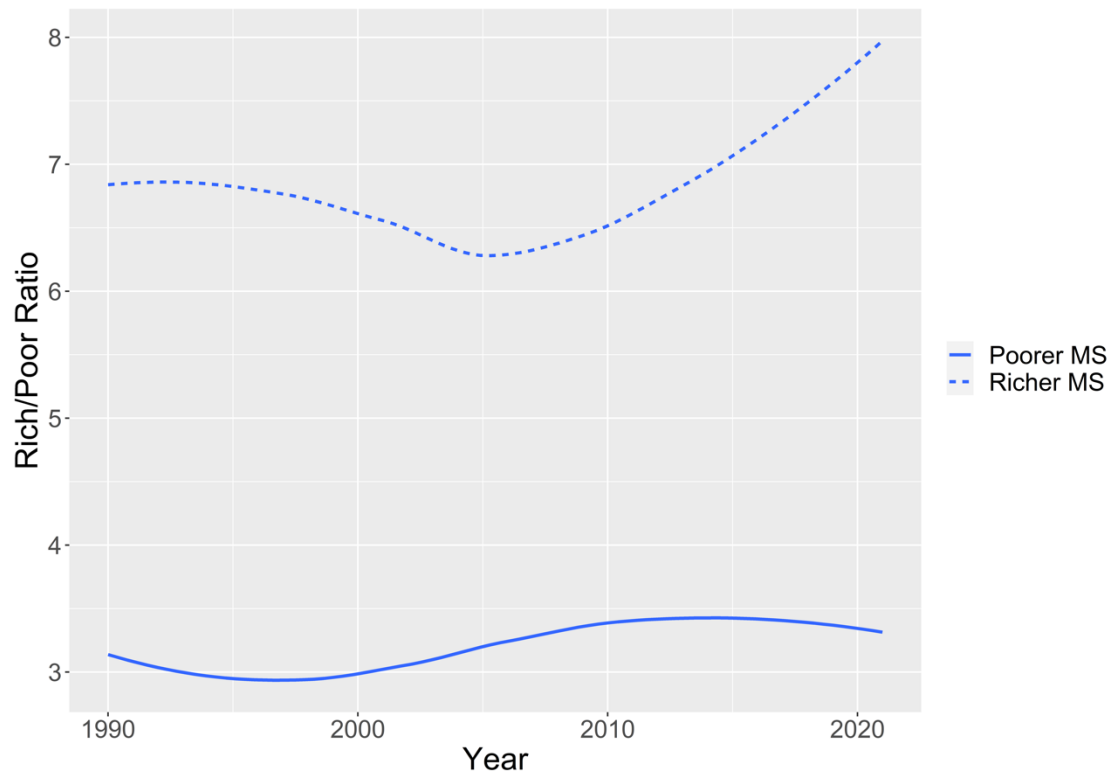


Maintained by the European Commission, the ARDECO database includes estimates of GDP per capita for the regional units for which EU-NED provides data on party vote shares.¹⁰ For rich and poor EU member states treated as separate groups, Figure 3 displays time trends in the ratio of GDP/capita in the richest region to GDP/capita in the poorest region (averaged across the countries included in each group). By this measure, regional disparities are much more pronounced in the EU core than in the periphery. Moreover, we observe a significant increase of regional disparities in core countries, starting in the second half of the 2000s, apparently coincident with the rise of RWPPs. From 2006 to 2021, the richest-to-poorest ratio increased from 6.6 to 8.3 (an increase of nearly 26%) in the EU core. By contrast, the richest-to-poorest ratio held essentially constant (around 3.4) in the EU periphery. Mobilizing resentment based on relative regional decline would appear to be much more of a “winning formula” for RWPPs in the core than in the periphery.¹¹

¹⁰ https://knowledge4policy.ec.europa.eu/territorial/ardeco-database_en

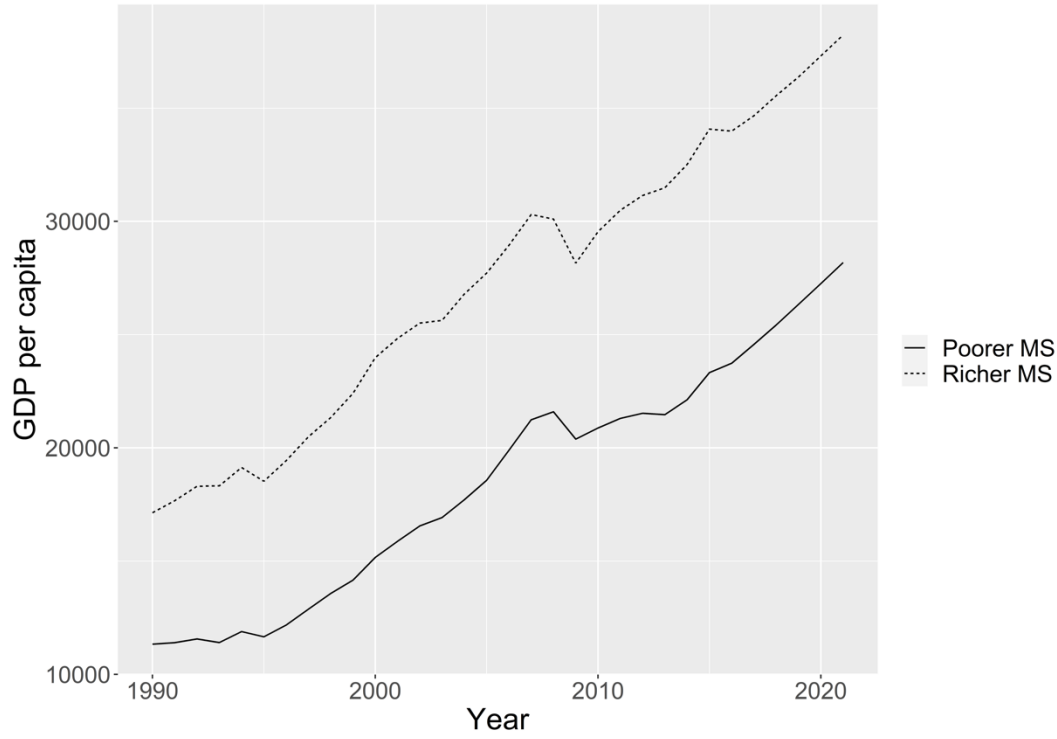
¹¹ The rise of regional inequality stands in sharp contrast to stability of personal (“vertical”) income inequality in the EU core since the financial crisis of 2007-08. Averaging across the ten countries, the top 10% share of pre-tax national income, as measured by the World Inequality Data project (<https://wid.world/>), increased by less than 1% from 2006 to 2021. The Swedish case can serve to illustrate divergent trends in vertical and horizontal inequalities as well as regional variation in right-wing populist support. As defined by Statistics Sweden (“SILC Economy and Materials Assets by Indicator,” https://www.statistikdatabasen.scb.se/pxweb/en/ssd/START_LE_LE0101/), the percentage of adults “at risk of poverty” was 14.2% in metropolitan areas and 14.3% in smaller towns and rural areas in 2010. By 2020, the figure for metropolitan areas had dropped to 11.8% while the figure for smaller towns and rural areas had increased to 20.3%. Over the same time period, the overall Gini coefficient for post-tax national income declined from .31 to .29 according to WID.

Figure 3: Time trends in richest-poorest ratios of GDP per capita (smoothed yearly cross-country averages)



Finally, Figure 4 displays the evolution of average GDP per capita in rich and poor EU member states since 1990. Average GDP per capita in the core was nearly 1.5 times higher than average GDP per capita in the periphery in 1990. By 2021, this ratio had increased to 2.2. At the same time, it is noteworthy that average GDP per capita has grown at a healthy pace in both groups of countries since the crisis of 2007-09, albeit at a slightly slower pace than in the 15 years preceding the crisis. At least on the face of it, Figure 4 would seem to call into question the idea that economic stagnation explains the rise of RWPPs in the 2010s.

Figure 4: The GDP-per-capita gap between rich and poor member states over time



3. Model specifications

The empirical results presented in the next section are based on estimating regression models with the regional vote share of RWPPs as the dependent variable, ranging between zero and 1. We estimate quasi-binomial generalized linear models (GLMs) to ensure that our model predictions remain within the boundaries of the dependent variable. Our estimation strategy uses a two-way fixed effects specification, with region- and year-fixed effects. This strategy yields estimates of how changes in our independent variables (pertaining to economic characteristics of regional units) affect changes in the regional RWPP vote share or, in other words, how the RWPP

vote share responds to changes in the independent variables. In all models, we cluster standard errors over region and year (two-way clustering).¹²

In a first step, we estimate models with distance to the richest region of the country in which a region is located as the main independent variable of theoretical interest. As indicated above, we measure distance to the richest region as the ratio of the GDP/capita of richest region to the GDP/capita of the region for which we observe the RWPP vote share. This variable takes the value of 1 if the region in question is the richest region in the country in a given year and assumes increasingly positive values for poorer regions in the same year and country. The variable thus captures how well a given region, X, keeps up with economic growth in the most dynamic region of the country in which X is located. As the value of this variable increases, regions are falling behind the most economically thriving region of the country.

In a second step, we restrict our analysis to poor EU member states and estimate the effects of falling behind the EU core. For this purpose, the GDP/capita of the EU core is calculated as the population-weighted average GDP/capita of the ten EU member states whose GDP/capita exceed the EU average in 2021 (see Appendix 1). As with distance to the richest region in the same country, distance the core is operationalized as the (year-specific) ratio of the GDP/capita of the core to the GDP/capita of the region for which we observe the RWPP vote share.

In a final step, we estimate models that interact distance to the richest region with the manufacturing share of regional employment, to test the hypothesis that inhabitants of manufacturing-intensive regions are particularly prone to respond to relative economic decline by voting for RWPPs.

¹² We prefer a fixed effects specification for the region and year levels rather than random effects, as standard error estimates are more conservative. This is mainly due to a lack of estimation procedures that allow quasi-binomial link functions in multi-level GLM, as well as a lack of tools to calculate clustered standard errors.

In each of these steps, the main models include GDP per capita as well as the manufacturing share of the regional employment. In addition, we control for the total regional population, conceived as additional indicators of socio-economic performance that might affect RWPP voting. Finally, we control for the economic strength of the agricultural sector within a given region, measured as the agricultural sector's share at the gross value added, following arguments on structural changes and economic marginalization for RWPP voting.¹³ Temporally stable confounders, such as electoral rules, are accounted for by region- and year-fixed effects.¹⁴ All variables in the analysis are standardized and should be interpreted as changes in standard deviations, except for the two inequality measures (distance to the richest and distance to the EU cote), which already have meaningful units based on ratios.

4. Empirical results

Models 1-3 presents our main results pertaining to the effects of falling behind the richest region in the same country. Pooling all of our data to estimate the fully specified model, we find that falling behind the richest region is indeed associated with an increase in the RWPP vote share. We also find that increases in the manufacturing share of regional employment and the agricultural sector's share of gross value-added are associated with increases in the RWPP vote share. When we split the sample according to richer and poorer member states, these three findings hold for the rich core but not the poor periphery (Models 4 and 5).¹⁵ For regions in the periphery, the

¹³ The marginalization of socio-economic groups has played an important role in theorizing RWPP voting (Kitschelt 2007), among which the declining relevance of the agricultural sector is one component that might be especially relevant for the geographical divides studied in this paper.

¹⁴ Our measures of the aforementioned control variables are also based on ARDECO data (https://knowledge4policy.ec.europa.eu/territorial/ardeco-database_en). See Appendix 2 for descriptive statistics on all variables included in our analysis.

coefficients for agriculture remain positive, but is nowhere near conventional thresholds of statistical significance, and the coefficient for distance to the richest region is actually negative. Not surprisingly, the effect of falling behind the richest region is substantively stronger when the analysis is restricted to the EU core. Within the core, the average marginal effect of a one-unit increase in distance to the richest region is a 6% increase in the RWPP vote share.

Contrary to the hypothesis that economic stagnation has generated support for RWPPs in the 2010s, the fully specified model estimated with all data yields a significant positive coefficient for GDP per capita, implying that GDP growth (not stagnation) is associated with more support for RWPPs. We hasten to point out that there is no association whatsoever between GDP per capita and RWP vote shares in a simple bivariate model (Model 1 in Table 1). Splitting the sample, the coefficient for GDP per capita is positive for the core and negative for the periphery. However, given the dependence between our distance to the richest area variable and GDP per capita, we regard GDP per capita in these models as control variable not intended for substantive interpretation. In this respect, the only thing we can conclude is that economic stagnation appears not to be a key driver of RWPP support in the rich EU member states.

¹⁵ Note that there are 10 rich countries and 15 poor, and still the N of the rich-country sample is 4,888 and the N of the poor-country sample 2,588. This is due to the fact the data for richer countries covers a longer time period and that richer countries tend to have more regions (e.g., Germany has around 400 NUTS3 regions).

Table 1: Quasi-binomial GLM of regional RWP vote shares

	(1)	(2)	(3)	(4)	(5)
				<u>Richer MS</u>	<u>Poorer MS</u>
Distance Richest		1.019*** (0.2126)	1.207*** (0.2480)	1.377*** (0.2947)	-0.7034 (0.4190)
GDP pc	0.2206 (0.2482)		0.8181* (0.3744)	1.036* (0.3959)	-1.484* (0.6071)
Manufacturing share			0.5140** (0.1747)	0.3702. (0.1896)	0.4426* (0.1632)
GVA agricultural sector			0.3118* (0.1353)	0.3009* (0.1168)	0.0074 (0.2099)
Population			-0.7793 (0.7733)	-2.898** (0.9359)	0.8600 (0.8004)
Total employment			-0.2408 (0.2716)	0.9699 (0.6345)	0.5322* (0.2389)
Region FE	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes
S.E.: Clustered	two-way	two-way	two-way	ywo-way	two-way
Observations	7,471	7,471	7,471	5,768	1,703

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

As we have argued above, we expect that RWPPs in the poorer, more peripheral EU states have reasons to mobilize their supporters with reference to the wealthy EU core rather than domestic reference points. Restricting the analysis to poor member states, Table 2 presents the results that we obtain when we estimate models that include distance to the EU core alongside distance to the richest region in the country to which a given region belongs. As in Table 1, none of the control variables included in the fully specified model seem to matter to the RWPP vote share, except of the positive effect of manufacturing share. Yet, we find a significant effect of

regional trajectories relative to the EU core: RWPPs have done significantly better in the peripheral regions that have fallen behind the EU core than in peripheral regions that have grown apace with the core (even if these regions were and remain much poorer than the poorest regions of the core). The average marginal effect of falling behind the EU core by one unit is a 3% increase of the RWPP vote share. Also, it is noteworthy that introducing distance to the core does not change the non-significant negative effect of distance to the richest region in the country. Our results suggest that right-wing populist voters in the periphery cue only on the EU core.

Table 2: Quasi-binomial GLM estimates of RWP vote shares, poorer countries only

	(6)	(7)	(8)
Distance core	0.9493*	0.9875**	0.7970** (0.2361)
	(0.3626)	(0.3240)	
Distance rich		-0.6186. (0.3050)	-0.6259. (0.3193)
Manufacturing share			0.4979** (0.1703)
GDP pc			-0.6017. (0.3514)
GVA agricultural sector			-0.0359 (0.2067)
Population			-0.0751 (0.4809)
Total employment			0.2371 (0.1638)
Region FE	Yes	Yes	Yes
Year FE	Yes	Yes	Yes
S.E.: Clustered	two-way	two-way	two-way
Observations	1,703	1,703	1,703
Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1			

The results presented in Table 1 strongly confirm that economic decline relative to the richest region (or regions) in a country motivates people to vote for RWPPs in the rich EU member states. Holding the distant to the richest region variable constant, voters in regions experiencing robust growth appear to be just as likely to support RWPPs as voters in regions experiencing absolute decline. Moreover, we find that changes in manufacturing as a share of regional employment have significant implications for RWPP voting. Contrary to what some of the literature on this topic seems to suppose, it is not the case that people who live in regions that are losing manufacturing jobs are more attracted to RWPPs. Rather, our results indicate that people who live in regions that are retaining manufacturing jobs

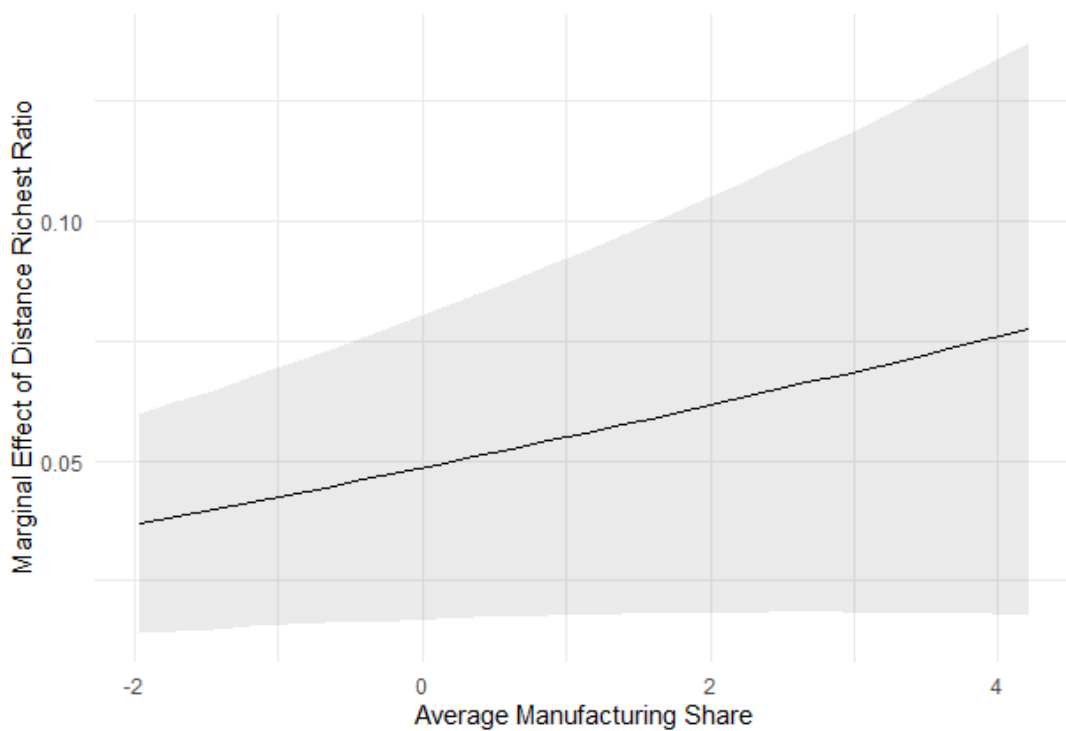
(becoming more manufacturing-reliant relative to other regions) are more attracted to RWPPs. The implication would seem to be that right-wing populism should not be seen as response to de-industrialization at the level of regional units, but rather as a response to macro-level dynamics that have been unfavorable to people employed in manufacturing and to communities reliant on manufacturing employment.

This raises the question of whether people living in manufacturing-reliant regions, which used to be relatively affluent middle-income regions, respond more strongly to falling behind than people living in regions that have always been relatively poor (most rural regions, but not all rural regions). We explore this question by estimating models that interact manufacturing as a share of regional employment with distance to the richest member states for the EU-core sample and distance to the EU core for the EU-periphery sample (e.g., meaning with the relevant reference point for the respective subsample). The results of this exercise are presented in Appendix 3. In summary, there is no significant interaction for distance to the EU core, but regional reliance on manufacturing does seem to condition the response to falling behind the richest region in the rich EU member states.

For regions in the EU core, Figure 5 shows the marginal effect of distance to the richest region conditional on the manufacturing share of regional employment. Falling behind the richest region is a positive predictor of rising RWPP voting in all regions, but the effect significantly increases in size (it nearly doubles) for regions with large shares of manufacturing-based employment. Note that the rather large confidence intervals in Figure 5 are due to applying a double-demeaned interaction term, to show how the within-regional effect of falling behind is conditioned by between-regional difference in manufacturing share.¹⁶ This means that the x-axis presents regions' average level of manufacturing in employment across the entire observation period, standardized around its mean.

¹⁶ See Gisselmann and Schmidt-Catran (2022) for further discussion of the specification and interpretation of interaction effects in panel-data models.

Figure 5: Marginal effect of falling behind the richest region over average manufacturing share across regions (richer member states sample)



In the Supplementary Materials, we report on several robustness tests. First, we add two additional control variables in Appendix 4: voter turnout and the vote share of incumbent parties (defined as parties with ministerial representation in the national government going into the election). While changes in the relative position of regions might have an impact on electoral participation and electoral participation might in turn affect the electoral fortunes of RWPPs, we control for incumbent vote share to ensure the observed effect of falling behind the richest region is not simply an anti-incumbency effect. As reported in Appendix 4, the substantive findings presented in Table 1 and Table 2 remain when we add these control variables.

We have also assessed the sensitivity of our findings to the classification of countries into richer (core) and poorer (periphery) member states. As noted above, Italy sits at the boundary between the poor

and rich member states. As Appendix 5 shows, the substantive findings presented in Table 1 and Table 2 are robust to dropping Italy from the analysis.

5. Final discussion

In sum, the preceding analysis brings to light a sharp distinction between the economic geography of right-wing populism in rich EU member states and the economic geography of right-wing populism in poor EU member states. In the rich member states, falling behind the richest region in the country provides a most favorable context for RRPPs to mobilize electoral support. In the poor member states, by contrast, within-country social comparisons seem to play little role, but the gap vis-à-vis rich member state provide another source of resentment that allows RWPPs to mobilize electoral support. It follows from these observations that regional variation in RWPP support is more pronounced in rich EU member states than in poor EU member states.

The theoretical discussion framing our analysis leaves open the question of the extent to which the rhetoric and programmatic positions adopted by RWPPs shape the geography of RWP voting. There are at least two possible interpretations of the empirical results that we have presented. One interpretation posits that successful RWPPs are strategic actors that seize on horizontal economic disparities resented by large groups of voters and feature these disparities in their rhetoric and programs and thus politicize (render politically salient) latent cleavages or, in other words, focus attention on some reference groups (benchmarks) at the expense of others. The alternative interpretation is that all the parties engage in essentially the same rhetoric of resentment and anti-elitism, but the resentful voters to whom such rhetoric appeals are motivated by different social comparisons. To parse between these interpretations would require a systematic, in-depth analysis of the rhetoric and programs of RWPPs in Western and

Eastern Europe. Our analysis invites such a research program. For the time being, suffice it to say that our analysis also suggests that objective conditions constrain the ability of RWPPs to frame the “problem of territorial inequality.” The Sweden Democrats may oppose the transfer of policy decisions to the EU level that has occurred over the last 20 years, but they cannot credibly argue that this transfer has benefitted people in some other country at the expense of Swedes. By comparison, such claims have much traction in Southern and Eastern peripheries of the European Union.

Related to this last point, an important limitation of the analysis presented in this paper is that it compares rich EU member states characterized by growing regional disparities with poor EU member states that have fallen behind the rich member states or, at least, have remained behind the rich members and have not experienced the same process of regional differentiation in economic fortunes. Our argumentation and empirical evidence invite an obvious question: What happens if (when) falling behind the core is combined with growing within-country disparities? Arguably, this scenario in which RWPPs would have the most room to maneuver, choosing to frame societal problems either in terms of falling behind the EU core or falling behind the richest region. Mindful of the loss of statistical power that this necessarily entails, we intend to explore the question of how RWPPs behave and perform under such circumstances by leveraging variation among countries in the EU periphery in terms of (1) changes in (within-country) regional inequality and (2) the degree to which they have fallen behind (or kept up with) the rich member states.

More broadly, the analysis presented in this paper invites further discussion of how the politics of horizontal (territorial) inequalities differ from the politics of vertical inequalities, conceived in terms of income groups, classes, gender or ethnic groups (cf. Beramendi 2012). As we have shown, the period since the financial crisis has been characterized, in the EU core, by sharp increases in regional disparities and a relatively stable distribution of household income measured by top income shares as well as the Gini coefficient. By contrast, the 15-20 years prior to the crisis were characterized by sharp increases in

income inequality between households, especially top-end inequality, and a relatively stable distribution of income between regions. The post-crisis constellation has clearly have favored right-wing populism. It is perhaps less obvious that the pre-crisis constellation favored left-wing politics, but the 1990s was a good decade for mainstream Left parties and to the extent that these parties lost electoral support in the 2000s, they primarily lost support to Greens and more radical Left parties. Against the backdrop of rising top-end income inequality, the financial crisis clearly created an opening for left-wing populism in the Southern periphery of the European Union (most notably Greece and Spain), but the window of opportunity for left-wing populist parties seems to have closed quite abruptly in the early 2010s.

There are many things that progressive parties and the European Union need to do to respond to the rise of right-wing populist sentiments and parties. Our analysis suggests that one key challenge—perhaps *the* key challenge—for these actors is to develop policies that not only compensate regions and countries that have fallen behind in the near-term, but also promote more territorially equitable economic growth in the long-term.

REFERENCES

- Becker, Bastian. 2021. "Significant Others? Social Groups, Income Expectations and Redistributive Preferences." *Social Science Research*, first view.
- Beramendi, Pablo. 2012. *The Political Geography of Inequality: Regions and Redistribution*. New York: Cambridge University Press.
- Berriochoa, Kattalina and Marius Busemeyer. 2023. "Local Knowledge Economies, Mobility Perceptions and Support for Right-Wing Populist Parties: New Survey Evidence for the Case of Germany." Unpublished paper, University of Konstanz.
- Broz, Lawrence; Jeffrey Frieden and Stephen Weymouth. 2021. "Populism in Place: The Economic Geography of the Globalization Backlash." *International Organization* 75: 464-494.
- Burgoon, Brian; Sam van Noort, Matthijs Rooduin and Geoffrey Underhill. 2019. "Positional Deprivation and Support for Radical Right and Radical Left Parties." *Economic Policy* 34(97): 49-93.
- Cramer, Kathrine. 2016. *The Politics of Resentment: Rural Consciousness in Wisconsin and the Rise of Scott Walker*. Chicago: University of Chicago Press.
- Donnelly, Michael. 2021. "Material Interests, Identity and Linked Fate in Three Countries." *British Journal of Political Science* 51: 1119-1137.
- Döring, Holger, Constantin Huber and Philip Manow. 2022. Parliaments and governments database (ParlGov): Information on parties, elections and cabinets in established democracies. Development version.
- Engler, Sarah and David Weisstanner. 2021. "The Threat of Social Decline: Income Inequality and Radical Right Support." *Journal of European Public Policy* 28(2): 153-173.
- Essletzbichler, Jürgen; Franziska Disslbacher and Mathias Moser. 2018. "The Victims of Neoliberal Globalisation and the Rise of the Populist Vote: A Comparative Analysis of Three Recent Electoral Decisions." *Cambridge Journal of Regions, Economy and Society*, 11: 73–94.
- Gest, Justin. 2016. *The New Minority: White Working-Class Politics in an Age of Immigration and Inequality*. New York: Oxford University Press.
- Gidron, Noam and Peter Hall. 2019. "The Politics of Social Status: Economic and Cultural Roots of the Populist Right." *British Journal of Sociology* 68(S1): S57-S84.

- Gimpel, James G., Nathan Lovin, Bryant Moy, and Andrew Reeves. 2020. "The Urban–Rural Gulf in American Political Behavior." *Political Behavior* 42(4): 1343-68.
- Giesselmann, Marco and Alexander Schmidt-Catran. 2022. "Interactions in Fixed Effects Regression Models." *Sociological Methods and Research* 51(3): 1100-1127.
- Grumbach, Jacob; Jacob Hacker and Paul Pierson. 2021. "The Political Economy of Red States." In *The American Political Economy*, edited by Jacob Hacker, Alexander Hertel-Fernandez, Paul Pierson and Kathleen Thelen (New York: Cambridge University Press), 209-244.
- Hellwig, Timothy; Yesiola Kweon and Jack Vowles. 2020. *Democracy Under Siege? Parties, Voters and Elections After the Great Recession*. Oxford: Oxford University Press.
- Hense, Svenja and Armin Schäfer. 2022. "Unequal Representation and the Right-Wing Populist Vote in Europe." In *Contested Representation: Challenges, Shortcomings and Reforms*, edited by Claudia Landwehr, Thomas Saalfeld and Armin Schäfer (New York: Cambridge University Press), 147-164.
- Hobolt, Sarah. 2016. "The Brexit Vote: A Divided Nation, a Divided Continent." *Journal of European Public Policy* 23(9): 1259-1277.
- Inglehart, Ronald and Pippa Norris. 2019. *Cultural Backlash: Trump, Brexit and Authoritarian Populism*. New York: Cambridge University Press.
- Iversen, Torben and David Soskice. 2019. *Democracy and Prosperity: Reinventing Capitalism Through a Turbulent Century*. Princeton: Princeton University Press.
- Kitschelt, Herbert. 2007. "Growth and Persistence of the Radical Right in Postindustrial Democracies: Advances and Challenges in Comparative Research." *West European Politics* 30(5): 1176-1206.
- Kurer, Thomas. 2020. "The Declining Middle: Occupational Change, Social Status and the Populist Right." *Comparative Political Studies* 53(10-11): 1798-1835.
- Lipps, Jana and Dominik Schraff. 2021. "Regional inequality and institutional trust in Europe." *European Journal of Political Research* 60(4): 892-913.
- Lupu, Noam and Jonas Pontusson. 2011. "The Structure of Inequality and the Politics of Redistribution," *American Political Science Review* 105(2): 316-336.

- Mayne, Quinton and Alexia Katsanidou. 2022. "Subnational Economic Conditions and the Changing Geography of Mass Euroskepticism: A Longitudinal Analysis." *European Journal of Political Research*, first view.
- McNamara, Kathleen. 2017. "Explaining the New Class Cleavages: Geography, Post-Industrial Transformations and Everyday Culture." Paper presented at the Annual Meeting of the American Political Science Association.
- Merton, Robert and Alice Rossi. 1968. "Contributions to the Theory of Reference Group Behavior." In *Social Theory and Social Structure*, edited by Robert Merton (New York: Free Press), 279–334.
- Mudde, C. (2007). *Populist Radical Right Parties in Europe*. Cambridge: Cambridge University Press.
- Mudde, C. (2004). "The Populist Zeitgeist." *Government and Opposition* 39(4): 541-563.
- Rodríguez-Pose, Andrés. "The Revenge of the Places that Don't Matter (and What to Do About It)." *Cambridge Journal of Regions, Economy and Society* 11: 289-209.
- Rooduijn, Matthijs et al. 2019. *The PopuList: An Overview of Populist, Far Right, Far Left and Eurosceptic Parties in Europe*. www.popu-list.org.
- Rovny, Allison and Jan Rovny. 2017. "Outsiders at the Ballot Box: Operationalizations and Political Consequences of the Insider-Outsider Dualism." *Socio-Economic Review* 15(1): 161-185.
- Runciman, Garry. 1966. *Relative Deprivation and Social Justice: A Study of Attitudes to Social Inequality in Twentieth-Century Britain*. London: Routledge.
- Santana, Andrés; Piotr Zagórski and José Rama. 2020. "At Odds with Europe: Explaining Populist Radical Right Voting in Central and Eastern Europe." *East European Politics* 36(2): 288-309.
- Schraff, Dominik, Ioannis Vergioglou and Buket Buse Demirci. 2022. "The European NUTS-Level Election Dataset: A Tool to Map the European Electoral Geography." *Party Politics*, first view.
- Walter, Stefanie. 2021. "The Backlash Against Globalization." *Annual Review of Political Science* 24: 421-442.

APPENDICES

Appendix 1: Classification of rich and poor EU member states

IE	100,172
DK	63,007
SE	61,029
NL	57,768
FI	53,655
AT	53,638
BE	51,247
DE	51,204
UK	46,510
FR	43,659
EU	38,411
IT	35,658

ES	30,104
SL	29,291
ET	27,944
CZ	26,821
PT	25,568
LI	23,723
SK	21,392
LA	21,148
GR	20,193
HU	18,728
PL	18,000
CR	17,568
RO	14,858
BL	12,222

Note: GDP per capita (current US\$) in 2021 (World Bank data). Downloaded from

<https://data.worldbank.org/indicator/NY.GDP.PCAP.CD>

Appendix 2: Descriptive statistics

Variable	N	Mean	Std. Dev.	Min	Pctl. 25	Pctl. 75	Max
RWP vote share	7446	0.055	0.082	0	0	0.085	0.69
GDP pc	7446	21814	9711	3738	15265	26360	78989
Distance rich	7446	3.135	1.581	1	1.822	4.056	11.316
Distance core	7446	1.417	0.685	0.244	1.033	1.588	7.067
GVA agricultural sector	7446	179.054	236.914	0	37.781	238.382	3057.576
Manufacturing share	7446	0.202	0.09	0.019	0.135	0.258	0.756
Population	7446	445342	596586	19600	133416	477418	6445530
Total employment (in 1000s)	7446	196.555	278.947	5.657	57.413	203.58	3443.903

Appendix 3: Interaction of falling behind with regional importance of manufacturing

	(1)	(2)
	Poorer MS	Richer MS
Distance Core	0.8115** (0.2354)	
Distance Richest	-0.6486. (0.3334)	1.363*** (0.2892)
Manufacturing Share	0.4982** (0.1685)	0.4009* (0.1896)
GDP pc	-0.5977 (0.3499)	0.9904* (0.3794)
GVA Agricultural Sector	-0.0568 (0.2164)	0.2988* (0.1153)
Population	-0.1221 (0.5027)	-2.901** (0.9256)
Total Employment	0.2236 (0.1547)	1.026 (0.6344)
Distance Core Ratio x Manufacturing Region	0.0795 (0.0707)	
Distance Richest Ratio x Manufacturing Region		0.1175. (0.0659)
Region FE	Yes	Yes
Year FE	Yes	Yes
S.E.: Clustered	twoway	twoway
Observations	1,703	5,768

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Appendix 4: Additional control variables

	(1)	(2)
Distance Richest	1.374*** (0.2655)	-0.6078* (0.2934)
Distance Core		0.6839* (0.2496)
GDP pc	0.8744** (0.3139)	-0.6855* (0.3087)
Manufacturing Share	0.3464. (0.1695)	0.4711** (0.1621)
GVA Agricultural Sector	0.2450* (0.1004)	-0.0754 (0.1942)
Population	-2.621** (0.8611)	-0.3274 (0.4376)
Total Employment	0.9290. (0.5396)	0.2356 (0.1426)
Turnout	0.4467** (0.1583)	0.2181 (0.1678)
Incumbency vote share	0.2109* (0.0965)	-0.1608 (0.0947)
Region FE	Yes	Yes
Year FE	Yes	Yes
S.E.: Clustered	twoway	twoway
Observations	5,768	1,703

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1

Appendix 5: Dropping Italy from the analysis

	(1)	(2)
	<u>Richer MS</u>	<u>Poorer MS</u>
Distance Richest	1.450*** (0.3239)	-0.6259. (0.3193)
Distance Core		0.7970** (0.2361)
GDP pc	0.7906. (0.3951)	-0.6017. (0.3514)
Manufacturing share	0.4309* (0.1905)	0.4979** (0.1703)
GVA agricultural sector	0.4116** (0.1366)	-0.0359 (0.2067)
Population	-4.177** (1.246)	-0.0751 (0.4809)
Total employment	2.061** (0.7086)	0.2371 (0.1638)
Region FE	Yes	Yes
Year FE	Yes	Yes
S.E.: Clustered	twoway	Twoway
Observations	4,888	1,703

Signif. codes: 0 '***' 0.001 '**' 0.01 '*' 0.05 '.' 0.1 ' ' 1