

The victims of neoliberal globalization and the rise of the populist vote: A comparative analysis of three recent electoral decisions

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Motivation

- Recent elections returned wins or near-wins for populist candidates
- Explained primarily through characteristics of individuals
- But apparent similarities in the geographic patterns of the outcomes
- Question of the relevance of geographic context in which voting occurs

Why comparing three electoral decisions?

- Populism
 - Claims to represent the „peoples“ against outsiders
 - Politics against elected, corrupted „elites“ that do not represent the will of the „peoples“
 - Rejection of validity of „other“ views represented through multiple political parties leading to rejection of democratic principles in general
 - Promise to return decision making over resource distribution and access to the „peoples“ (Müller 2016)
- Presidential elections in the U.S. and Austria, and BREXIT vote share those characteristics
 - They were a vote against existing elites, they promised to return economic and political power to the respective „peoples“ and they were explicitly against the „non-peoples“, Mexicans, EU citizens and other foreigners and refugees
- Question: Why do they get the vote now?

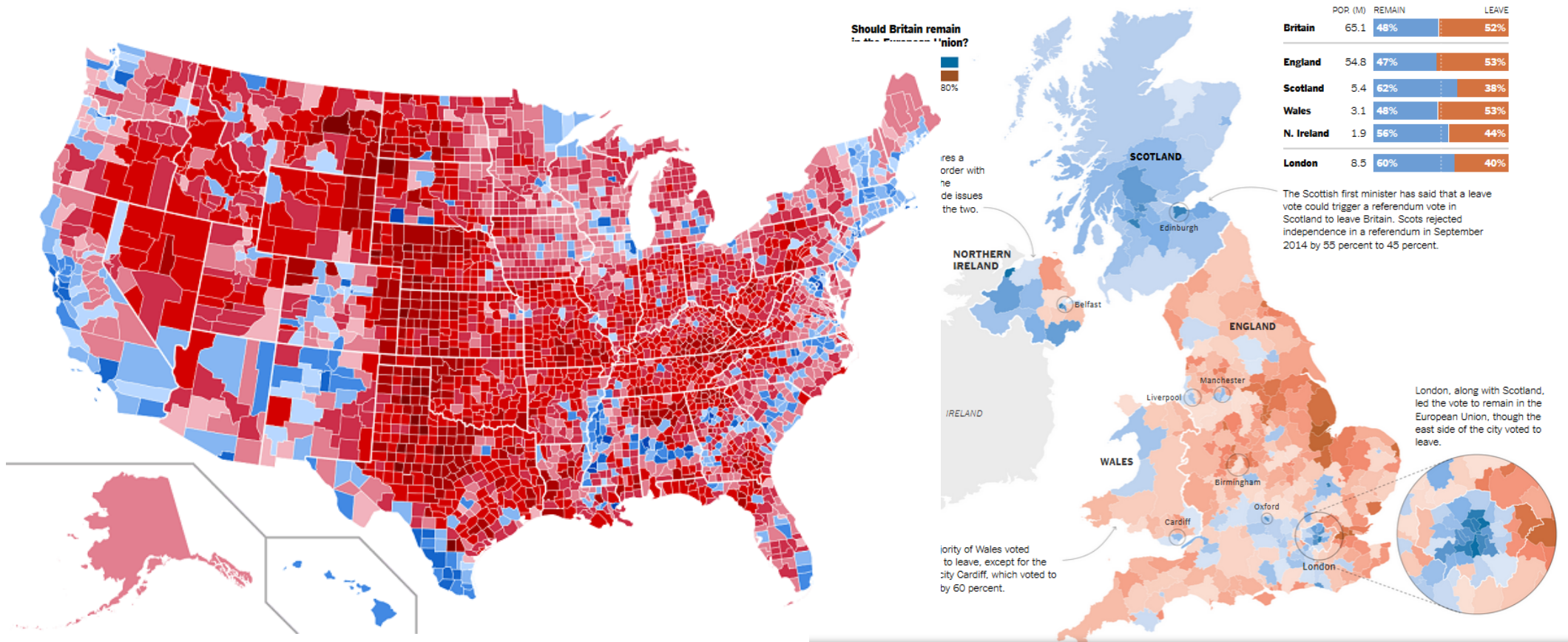
Neoliberal globalization,.....

- Rather over-used terms, but...
- A specific form of globalization in which the benefits of market integration become unquestioned truth (Müller 2016, Mouffe 2016,..)
- But benefits and costs become distributed unevenly opening up a *cleavage* separating those that are in favor of more or less integration (Kriesi et al. 2006)
- The question is how to deal with conflict – for people to feel included we need more economic *politics* and not pretend there is only *one* economic *policy*
- In this sense, the rise of populism can be interpreted as reaction from being excluded from the political process of economic decision making
- Cleavages can open along socio-economic positions of individuals that will produce and be produced through unequal geographic development
 - The same level of education and skill may grant access to jobs in growing regions, but probably not in declining regions

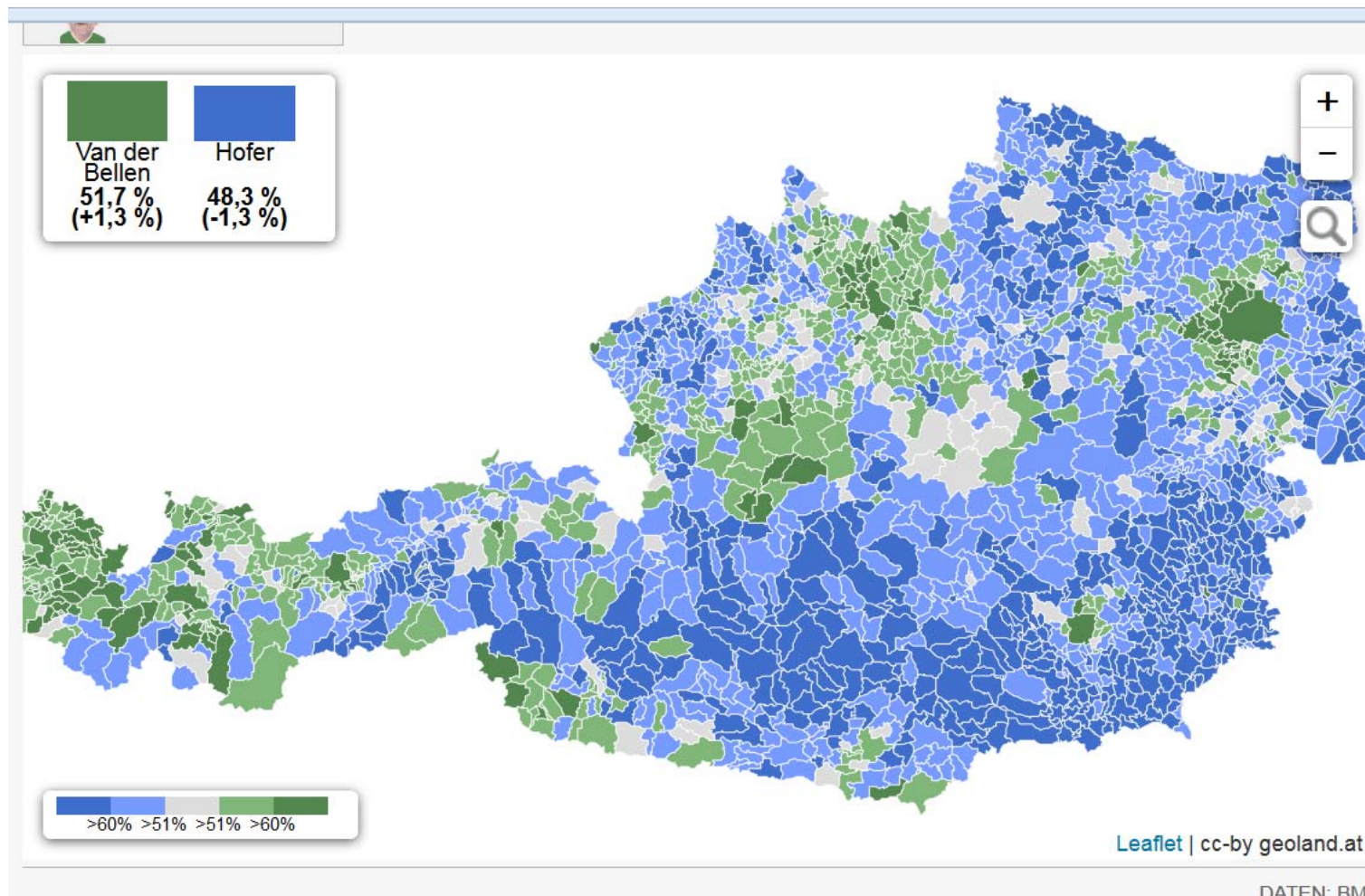
Voter characteristics

	BREXIT vs. Remain	TRUMP vs. Clinton	HOFER (first run-off)
Total share	51.9% vs. 48.1%	46.4% vs. 48.5%	49.7% vs. 50.3%
Age (65+)	60% vs. 40%	53% vs. 45%	49% vs. 51%
Age (<30)	27% vs. 73%	37% vs. 55%	46% vs. 54%
Race (white)	53% (but 79% with English identity) vs. 47%	58% vs. 37%	
Gender (men)	52% vs. 48%	53% vs. 41%	60% vs. 40%
Gender (female)	52% vs. 48%	42% vs. 54%	40% vs. 60%
Education (low)	82% vs. 18%	51% vs. 45%	60% vs. 40%
Education (high)	64% vs. 36%		19% vs. 81%
Income (low)	36% vs. 64%	41% vs. 52%	86% vs. 14%*
Income (high)	57% vs. 43%	49% vs. 47%	40% vs. 60%**
Rural		62% vs. 34%	
Source: Notes: * Arbeiter; **Angestellte	Lordashcroftpolls.com	BBC	www.sora.at

Geographic patterns



Geographic patterns



Apparent patterns and questions

- Broad regional differences
 - Coastal – Inland
 - North – South
 - West – East
- Urban – rural difference
- Question: Are those differences simply compositional or are there underlying structural economic differences that influence voting behavior
 - Patterns of migration and changes in immigrant shares
 - Economic structure
 - Short-term changes (recovery from recession)
 - Long-term structural shifts (De-industrialization and failure to restructure)

Existing work

- Lot on BREXIT
 - Becker et al. (2016); Goodwin and Heath (2016); Harris and Charlton (2016); Hobolt (2016); Los et al. (2017)
- Some on U.S.
 - Influence of import competition from China (Autor et al. 2016)
- Nothing on the geography of voting in Austria yet it seems
- Looks at cross sections, changes in migration in UK (Goodwin and Heath 2016), and some recent economic changes in UK (Becker et al. 2016), but work neglects long-term structural changes

Here

- Focus on BREXIT and U.S.
 - Role of migration
 - Economic structure and conditions
 - Short term effects and recovery from recession
 - Role of deindustrialization and regional decline
- UK Local Authority Areas for England and Wales (344); U.S. counties (3108);
 - Austria will be examined on municipality level (1800)
- Simple OLS regression to explore relationships

UK: Dependent variable: % leave

	VARIABLES	ESTIMATES	BETA	
Migration	EU15 %	-1.351	-0.207	Population share EU15 2011
	EU Acc %	0.046	0.007	Population share EU Accession countries 2011
	ΔEU Acc	0.144	0.104	Rate of change of population from EU Accession countries, 2001-2011
Economy now	Median Pay	-0.018	-0.146	Median Pay, 2016
	Unemp Rate	2.114	0.189	Claimant count in Percent, 2016
Recession effects recovery	ΔUE 01-11	3.309	0.288	Rate of change in unemployment, 2001-2011
	ΔUE 11-16	0.035	0.028	Rate of change in JSA claimants, 2011-2016
Structural change	Manuf. Share 81 %	0.157	0.139	
	ΔManuf.Share 81-11	0.114	0.144	Rate of change in manufacturing share
	ΔOLD 81 - 11	0.342	0.139	Change in share of over 65 year olds
Size	In Population	-2.122	-0.121	logarithm of population
R-Square		0.720		
n=		347		

Source: ONS; Notes: bold: significant at ≥ 0.05 level; Control variables: Age and Gender not reported; Constant not reported; Robust standard errors;

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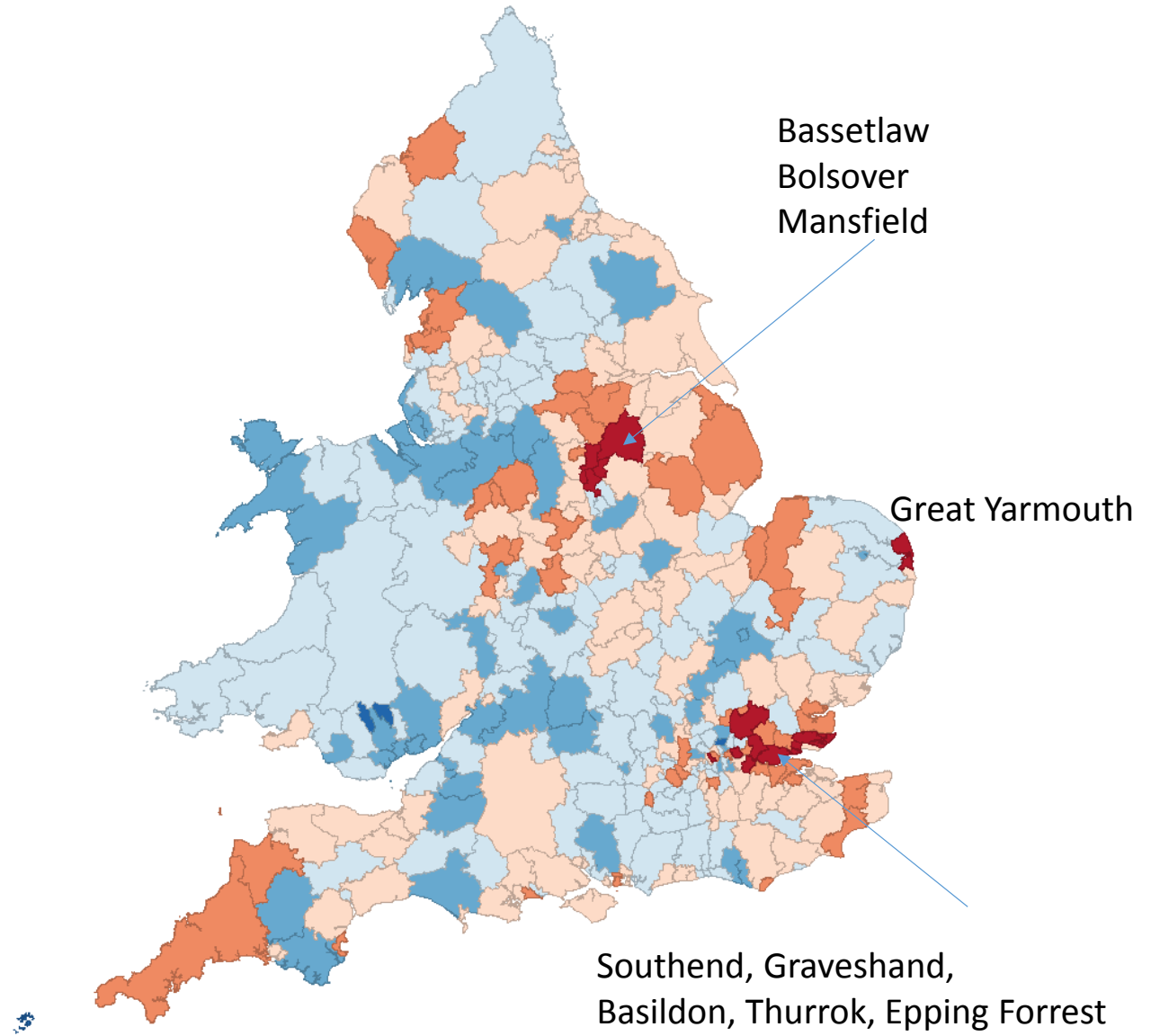
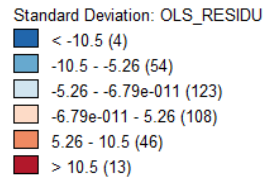
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Model residuals



U.S. results: Dependent variable: Trump%

		Estimates (unw.)	Estimates (pop.w.)	Beta (pop.w.)
Immigration	For%	-0.523	-0.472	-0.299
	Δfor%	-0.004	0.008	0.013
Economy now	Med.Pay	0.000	0.000	-0.155
	Unemp Rate	-2.360	-1.126	-0.099
Recession	ΔUnemp	0.134	0.148	0.079
Structural change	Manuf. % 1980	0.124	0.260	0.197
	ΔManuf. 1980-2015	0.008	0.028	0.224
Size	Ln(population)	-2.433	-2.129	-0.199
R-Square		0.395	0.645	
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Notes: bold: stat.sig. at 0.01 level; Age, gender controls and const. not reported; Robust standard errors

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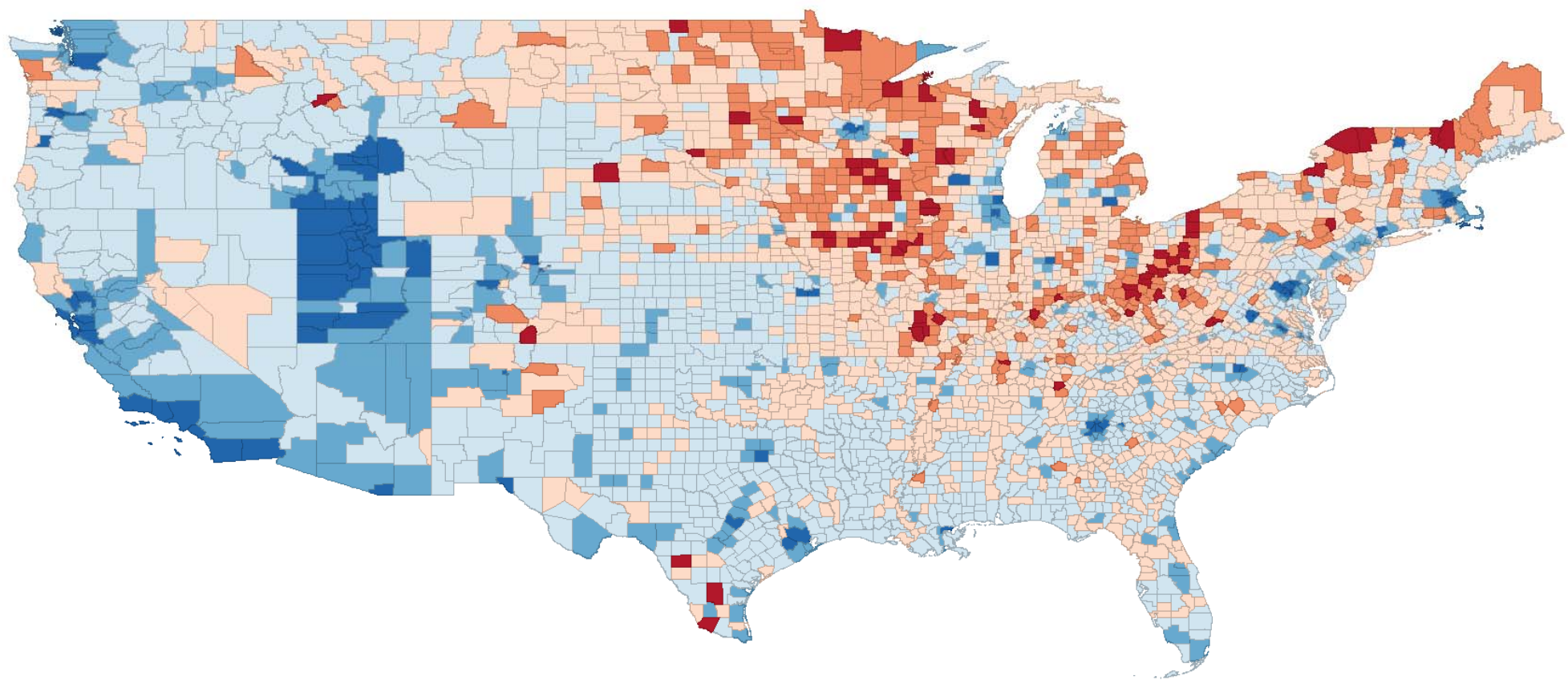
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Trump 2016 Gains/Losses vs. Romney 2012 (1=equal vote share)

- < 0.857 (102)
- 0.857 - 0.962 (243)
- 0.962 - 1.07 (1239)
- 1.07 - 1.17 (1107)
- 1.17 - 1.28 (344)
- > 1.28 (73)



Trump gains on Romney: East North Central Region

Variables	Estimates (pop.w.)	Beta
Foreignp	-0.0105	-0.531
Δ foreign	0.0000	0.002
Med.HH.Inc	0.0000	-0.193
Unemployment rate	0.0373	0.316
Δ unempl. Rate	-0.0016	-0.092
Manuf. % 1980	0.0016	0.130
Δ manuf 1980-2015	0.0001	0.087
R-Square	0.8180	
n	437	

Conclusion

- Geographically uneven economic conditions, short term and long term structural economic changes appear to explain, at least, in part regional differences in electoral decisions
 - However, while areas with relatively high unemployment rate voted for BREXIT in UK, they voted against Trump in U.S.
 - In ENC region only, unemployment strong predictor for Trump gains
- Other variables such as education or whiteness would also account for a large explanatory share, but, those variables will reflect underlying economic opportunities, losses or fear of losses
- For the UK, the impact of austerity measures appears to have no additional impact on the election results

Conclusion

- If we were to accept that socially and geographically uneven economic opportunities and constraints are, in part, responsible for the surge in populism, we see it necessary to address it and, knowing that exclusion of or „rational“ argumentation against populist arguments, will only strengthen populists, then how should an economic and regional economic politics and policy look like?