The Determinants of Far-Right Political Support in the European Union

Christopher Dean Chehade¹

An Honors Thesis

Submitted to Fulfill the Requirements for Graduation with Honors in International Relations

at

New York University College of Arts and Science
Advisor: Alastair Smith
Spring 2017

¹ Special thanks to Professor Alastair Smith and Eric Arias for their guidance and expertise in the publication of this thesis
Abstract

Recent elections in Europe have seen an increase in support for far-right, nationalist parties that were once considered fringe parties, and completely unelectable. The effects of globalization ever since the end of the Cold War has seen a surge in parties that advocate for closed doors and nationalist sentiments. Academic literature claims that immigration and its effects on the welfare state and unemployment motivate citizens to vote for far-right political parties. This thesis will prove that immigrants are economically motivated to migrate to certain countries over others and such countries tend to have greater far-right political support; however, this thesis will also prove that there is no evidence to support the claim that immigration is the leading cause of far-right political support. In fact, this thesis will prove that there is no correlation between far-right political parties and any of the factors that academics claim incentivizes individuals to vote for them.
1. Introduction

Far-right parties have existed in Europe since the early 20\textsuperscript{th} century; however, in recent times, there has been substantial support for far-right parties, the likes of which has not been seen on the continent since the early 20\textsuperscript{th} century. Far-right parties have gained momentum specifically since the late 1980s and early 1990s. Even nations without historical ties to fascism are seeing their respective far-right parties gain more momentum and support. In the most recent European Parliament elections in 2014, nations such as Greece and the United Kingdom saw huge vote shares for far-right parties (39.5\% and 27.9\% respectively).\textsuperscript{2}

Analyzing the emergence of far-right political parties in the direction of European politics is thereby important for helping to draw conclusions as to why European nationalism is on the rise once again and what drives people to vote for nationalist parties. This thesis will be looking at this through the lens of an individual voter, isolating several key components that could incentivize a voter to vote for a far-right party. Such components include immigration, tax rate, unemployment, and social spending.

2. Question

This thesis will seek to isolate the determinants for far-right parties throughout the twenty-eight EU countries. The purpose of the thesis is not just to look at how these two components affect individuals voting for far-right parties, but how a variety of variables interact with each other in order to make a generalized analysis on far-right support.

This thesis will first look at the factors that determine where immigrants tend to settle within the EU. Such factors will include far-right political support, unemployment, and social benefits. Preliminary finding will show that immigrants settle into Europe based on economic factors, rather than political ones. After that, this thesis will take all 28 EU nations and look at the percentage of the vote that far-right political parties have received since democratic elections commenced in each country since the end of the Second World War. From there, the research design calls upon a multi-variable regression to tabulate the effects that immigration, social spending, unemployment, and tax rate as a percentage of gross domestic product have on the percentage of votes for far-right political parties. The findings from this regression will prove that the effects of immigration, unemployment, social spending, and tax rate as a percentage of gross domestic product is negligible and despite conventional wisdom and academic research, there is no correlation between far-right parties and any of the previously stated concepts

3. Literature Review

Much has been said about far-right parties in Europe; however, sources sometimes differ in explaining the momentum that far-right parties have received recently. Because this thesis analyzes the 28 members of the European Union, it is important to look into how far-right political parties view the European Union. Research shows that some scholars associate the rise in the far-right political ideology is actually a “countermovement to the elitist European economic project.”3 But what part of the “economic project” are people counter-revolting against? Some argue that recent European austerity measures in the

---

wake of the global financial crisis of 2008. Yet support for far-right political parties predates the financial crisis. The following diagram shows the history of far-right political support in several EU nations, with red representing the percentage of the vote received by far-right political parties in recent elections.

![Diagram showing the history of far-right political support in several EU nations](image)


While certain countries such as Greece and France received a huge boosts in vote shares for their respective far-right parties, countries such as Poland and Austria’s trends of increased far-right support has existed before European austerity measures.

---

What about the application of immigration and unemployment on incentivizing voters to vote for far-right political parties? Other sources mention that while far-right parties have revolved their platforms around lowering taxes, and fighting corruption, it was xenophobia and anti-immigration propaganda that was cemented as the winning issue. Such an example includes the Flemish Interest Party in Belgium targeting rundown working-class neighborhoods that consisted of high unemployment and large immigration populations.\textsuperscript{5} Hans-Georg Betz, an author of several books on far-right political movements, portrays the far-right as an “amalgam of radicalism and xenophobic populism.”\textsuperscript{6}

Is there a regional difference to far-right political movements. In other words, are certain regions of Europe more susceptible to far-right populism? Many scholars and studies do show that far-right political movements are much more common in Western Europe than Eastern Europe. Some attribute this to the Western European Nations being long-standing members of the European Economic project\textsuperscript{7}, while others claim that economic opportunities are scarce in the East, making the West a breeding ground for mass immigration that plants the seeds for far-right politics.\textsuperscript{8} Regardless, there does appear to be a drastic difference between the two. The research design of this thesis will use country fix effects to control for this phenomenon, as not to skew with the data.


\textsuperscript{6} “The New Politics of Resentment: Radical Right-Wing Populist Parties in Western Europe”, \textit{Comparative Politics}, 25:4 (July 1993), 413-427


Finally, what does pre-existing literature say about the effects social benefits have on the political far-right? It was surprising to discover that there has been no literature on the effects of social benefits on far-right political movements across Europe. While scholars mostly agree that xenophobia is the contributing factor for most if not all far-right movements, none have attributed or analyzed the affects to which social benefits provided to European citizens can have on far-right political parties. The substantive theory is, of course, that if social programs and comprehensive benefits are in place for citizens out of work due to low-wage immigrants entering a country and potentially underbidding them...
for blue collar jobs, then perhaps individuals out of a job may not be as motivated to vote for the political far-right due to the presence of a financial security net that ensures their and their own family’s well-being. But because no well-established published material exists on this element for explaining its effects on far-right political support this thesis will be designed to analyze such a theory.

4. Theory

The substantive theory of this thesis is as followed: With the adoption of the Schengen Agreement in 1985, an EU policy that allows for the free movement of individuals between EU nations, masses of immigrants from less affluent nations have flooded into the European Union. The Heckscher-Ohlin Trade Model states that when low-skilled immigrants from less affluent nations come into richer nations, the wage for pre-existing low-skilled laborers can diminish. Eventually, the wage can be dropped to such a level that low-skilled laborers will eventually seek work elsewhere or drop out of the workforce. The increase in migration has thus led to an increase in unemployment. With the Global Financial Crisis of 2007, the European Union faced an unprecedented economic recession, one in which it has since struggled to recover from. While affluent Europeans have since recovered from the economic recession, many middle and lower class communities have struggled to recover. Far-right politicians offer policies and promises to these communities that would bring back jobs and ensure financial security, such as putting national interest first, limiting the number of migrants entering, for they steal jobs from nationals, and re-focusing on industry. Thus, far-right politicians have since gained more and more support

---

in local, national, and European elections. Of course support for these parties predates the 2007 Financial Crisis, but the Global Recession was the event that catalyzed the political far-right into fruition.

It can also be believed that this xenophobia is driven by ethnic reasons as well. It cannot be ignored that some people may vote for far-right parties for the fear that immigrants coming in will threaten their cultural and social traditions. Ruth Wodak went claimed that far-right political parties in Europe required one or more of the four following criteria:

i. An ambivalent relationship with fascist and Nazi pasts.

ii. A focus primarily on a perceived threat from Islam

iii. A restriction of propaganda to a perceived threat to their national identities from ethnic minorities

iv. An endorsement a fundamentalist Christian conservative-reactionary agenda¹⁰

So while it can be assumed that certain individuals do vote for far-right political parties for the above reasons, it cannot be assumed that it is the overwhelming reason for their votes received. This is do in part to the fact that far-right political parties have been identified using this criteria for centuries; yet, their percentage of the vote share in elections until recently has been insignificant. Only in recent elections has there been a significant uptake in support for far-right political support. While its possible that attitudes

in Europe have changed in terms of openness and tolerance, it is much more likely that this increase in support is economic, rather than political or societal due to the uptake in support following the Global Recession of 2007.

The first part of the theory is simple: as immigrants come into a country, the proportion of support for far-right political parties increases, controlling for everything else. Not only do European attitudes are enriched in a long history of national pride, which could thereby lead to an increase in far-right support upon mass immigration, but in the wake of economic recession, Europeans may feel like their economy cannot withstand more people coming in looking for work while so many are already unemployed. As leader of *Le Front National* in France Marine Le Pen exclaimed: "In France, there are millions of unemployed people already. We cannot house them, give them health care, education... finance people who keep coming and coming." People who are directly affected by unemployment turn to far-right politicians as a savior who can guarantee financial security by securing jobs in part by limiting immigration into a country. Voters are inherently self-interested; thus, it makes substantive sense that if an individual believes he or she is unemployed to do immigrants under-bidding them for work, then that individual is more likely to vote for a far-right politician. Thereby, both unemployment and immigration have a positive affect on far-right political support.

Citizens want their government to take care of its own nationals, rather than the nationals of others. Specifically, as it related to unemployment, voting citizens would like to receive some of the public goods that they helped paid for. Specifically, if citizens are out of work, they would probably want unemployment compensation, family benefits, and

---

healthcare benefits to ensure their own financial security while looking for a job. So if citizens do not have jobs or social benefits and see a mass influx of immigrants that may be seen differently from the national status quo into their country, then the perception will be that the government has failed them in protecting them from the external threat of immigrants and has allowed them to become unemployed at the expense of migrants. However, if comprehensive social benefits are in place, then perhaps citizens will not view the threat of immigrants as strongly than if there were no benefits, as the government has ensured the financial security of its own citizens. Because of this, individuals may not feel compelled to vote for a far-right politician who advocates for a decrease in migration in order to focus efforts on the unemployment of national citizens because the unemployed national is receiving compensation from the government. Thus, if the substantive theory holds, it can be expected that as spending on social programs increase, support for far-right parties decreases.

Finally, the tax rate within a country can have an effect on far-right political support. Combining all the previous ideas, if both unemployment and migration inflow are quite high, one would expect to see an increase in support for far-right political parties. But if there exists comprehensive and extensive social benefits to mitigate the effects of unemployment, whether or not it is caused by immigration or not, then it is likely that support for far-right politicians will decrease. But what if the effectiveness of social benefits can be controlled? What effect does the tax rate have on social benefits? While citizens can enjoy the social benefits provided by the government, those benefits are paid for in the form of taxes. If taxes are low and individuals receive outstanding social benefits, then individuals will feel as if their respective governments are providing for them in the wake
of increased unemployment. However, if taxes are quite high, that individuals may not feel the effects of social benefits, as the high tax rate almost serves as them paying for the benefits out of pocket with their own income. This thereby could lower the effects of social benefits, which in turn would create a sentiment that the government has failed to provide for its citizens during times of high unemployment potentially caused by immigration. This would thus lead voters to vote for the political far-right in order to ensure financial stability by decreasing unemployment amongst nationals. Thus, the tax rate could have a substantial effect on whether or not countries elect far-right politicians.

5. Key Components and Variables

There will be a variety of independent variables used to measure out dependent variable of far-right political support. Before one delves into that, two key terms must be defined. The first one is as follows:

**Far-right parties:** The definition of far-right parties in Europe can be tricky. As previously stated, this thesis will use Ruth Wodak’s criteria for identifying far-right political parties. In order for a party to be considered far-right, they must possess one or more of the following criteria:

- *v.* An ambivalent relationship with fascist and Nazi pasts.
- *vi.* A focus primarily on a perceived threat from Islam
- *vii.* A restriction of propaganda to a perceived threat to their national identities from ethnic minorities
In terms of identifying far-right political parties, each of the four criteria outlined by Ruth Wodak on identifying far-right parties, can be linked to xenophobia. Firstly, the Nazi Parties and other fascist parties were blatantly xenophobic, viewing Jews, Romas, and other minority groups as “outsiders”. Thus, if such parties are ambivalent towards historical fascist parties, maybe it is because they share their xenophobic ties. Furthermore, Islamophobic rhetoric of these parties can be tied to xenophobia, as immigration into Europe from the Middle East and North Africa, all predominantly Muslim regions, increases. These parties also believe that the attacks to their national identities and cultural tradition are caused by immigrants, as they do not share such identities or traditions. Finally, if the parties are invoking a Christian conservative-reactionary agenda, it is reactionary to the influx of immigrants into their country that may not be the same religion as them.

Secondly, this thesis must have a conceptual definition of social benefits. The definition to be used in thesis is as follows:

**Social Benefits:** Programs provided by the government that ensure that workers and their families can still sustain themselves regardless of unemployment. To measure this concept this thesis will not look at any singular social program, but rather the expenditure in which the
state spends on social programs as a percentage of Gross Domestic Product.

6. First Hypothesis

This hypothesis will look at immigration to explain what factors immigrants account for when determining to which they immigrate. The hypothesis is as follows:

\[ Y(\text{Immigration}) = \alpha + \beta_1(\text{Average Far-Right}) + \beta_2(\text{Unemployment}) + \beta_3(\text{Social Spending}) + \beta_4(\text{Tax Rate}) + \epsilon \]

Each of the variables defined in this hypothesis will be as followed:

**Immigration**: The dependent variable. Measured by the yearly immigration inflows of an individual country divided by total population of the country.

**Average Far-Right**: A dependent variable. A proportion of the vote share all far-right political parties receive each election.

**Unemployment**: An independent variable. Measured as a proportion of the work force is currently out of work.

**Social Spending**: An independent variable. Measured as a percentage of a nation's GDP that is spent on social programs.

**Tax Rate**: An independent variable. Measured as a percent of GDP taxed each year.
In this hypothesis, population size will be controlled for as small nations such as Malta may skew the results for determining the effects of that immigration has on a population. Furthermore, the design will compensate for non-election years by looking at previous election results for every year in which a national or European election did not take place.

One can expect certain relationships between the independent variables and the dependent variable of immigration support based on the literature review and theory. They are as followed:

- **Immigration and far-right political support are negatively correlated:** Xenophobic sentiments towards those who do not speak and look like the native population is still prevalent in Europe. As native citizens vote for far-right politicians who advocate to halt all immigration, deport illegal aliens, or ban an entire religion such as Islam, immigrants could fear for their safety and are less likely to immigrate to such a country.

- **Unemployment and immigration are negatively correlated:** When unemployment increases, immigrants are less likely to move to that country as there are fewer economic opportunities to ameliorate themselves. Most immigrants coming into Europe tend to be poor and are seeking to find better paying jobs. But without said jobs, immigrants would rather look elsewhere.
- **Social spending and immigration are positively correlated:** Perhaps the most sensitive topic when it comes to immigration into Europe. Immigrants prefer to go to countries that have better welfare systems such as unemployment compensation, medical leave, and family benefits. Even if they cannot find employment, they can still benefit from a nation’s extensive welfare system while they look for employment. It is far more risky for an immigrant to move to a country that does not have a comprehensive welfare system; thus, one can assume this is positively correlated.

- **The interaction between taxes and immigration is ambiguous:** It's not outlandish to say that no one truly enjoys paying taxes. Immigrants are no different. On one hand, immigrants would prefer not to pay taxes; however, paying more in taxes could mean larger and more extensive social benefits. Thus, this is ambiguous for preliminary analysis.

  Based of this, one would expect places with low unemployment, extensive social benefits, and small support for far-right parties, to attract the most number of immigrants. A nation with the fewest number of immigrants flowing in would be a country with few social benefits, high unemployment, and large far-right political support.

  **7. Research Design**

  In regards to visualizing the data, this thesis will implement a cross-sectional time series, in which we compare all 28 EU nations’ migration inflow. After that, a multivariate
regression will occur in each country to see the effects that unemployment, far-right political support, tax rate, and social spending has on immigration in each country.

8. Data

The best way to measure far-right political support is to look at elections in each country and calculating what proportion of the vote all far-right parties received. Because elections do not happen every year, it is important to consider as many elections as possible. Most of the 25 of the EU states with the exceptions of the United Kingdom, France, and Lithuania, have a Proportional representation system for their legislative body, thus allowing for easy comparison of those 25 nations. For all 28 nations though, their representatives to the European Parliament are all elected using a proportional representation system, so this experiment will be using that as well. For the three nations that don’t use a PR system, the data for national elections and for the EU parliament will have to be aggregated separately, otherwise, the data may show huge spikes in support in EU parliament years and very little in national election years. All this data was accessed online through Eurostat and the Global Elections Database. EU Parliament election data was compiled for each country at the time of their first elections held for the body until the most recent election in 2014. National election data aggregation will begin at the time in which free and fair elections first began for each EU member state following the end of the Second World War until their most recent election as of December 31, 2015.

Immigration patterns are vital for analyzing the dataset. Such data can be found from the United Nations from 1980-2013. Because there is great disparity in populations in the EU, immigration will be measured as a proportion of the population for the given year.
For measuring the tax rate, one will measure the average payroll tax rate as a percentage of GDP for each country due to the fact that taxes can vary by income bracket and between countries. All such tax rates are available on Eurostat, as well as from the OECD. Again, the experiment will be looking at the average tax rate for each country from either 1945 to 2015 or 1990 to 2015.

Finally, social spending will be measured as a percentage of gross domestic product that is used on social programs. Such programs include healthcare, unemployment compensation, and family benefits. Eurostat and OECD provides data to each country's annual spending on social spending as a percentage of GDP.

The unit of analysis for this research design is country year per each of the 28 EU nations.

9. Results

Table 1, as presented below, shows the effects in which Unemployment, Average Far-Right Support, Social Spending, and Tax Rate has on immigration in all 28 EU nations. Overall, this test had 196 total observations to determine statistical significance. It should also be mentioned that this test controlled for country fix effects, as an attempt to control for disparity between different countries and their migration inflow. Such examples include language, location, and foreign-born population.
Firstly, the variable $\beta_1$ captured average far-right political support for a given year in each country as it affects immigration. This test surprisingly showed a positive correlation between immigration and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in far-right political support, the predicted increase in immigration is 0.003%; however, this coefficient is insignificant as the analysis shows there is no statistically reliable relationship between immigration and far-right political support.

The variable $\beta_2$ captured unemployment and its effects on immigration inflows. This test, as expected, showed a negative correlation between unemployment and
immigration. As the *p*-value calculated was less than .001, this result is highly significant. The coefficient estimate of beta indicates that for every additional 1% increase in unemployment, the predicted decrease in immigration was nearly .00047%. Thus this data shows that migrants are economically motivated to move to countries with low unemployment.

The variable \( \beta_3 \) captured social spending as a percentage of GDP for each country as it affects immigration. This test showed a positive correlation between social spending and immigration as expected. The coefficient estimate of beta indicates that for every additional 1% increase in social spending the predicted decrease in migration was .00032%. This interaction produced a statistically significant result, as the *p*-value calculated was less than .05. Thus, this data proves that immigrants tend to flock to countries whose governments tend to spend more on social programs.

The variable \( \beta_4 \) captured the tax rate as a percentage of gross domestic product for a country and migration inflows. This test actually showed a positive correlation between the interaction between the tax rate and migration inflows. The coefficient estimate of beta indicates that for every additional 1% increase in taxes, the predicted increase in migration was .09385%; however, this coefficient is insignificant as the analysis shows there is also no statistically reliable relationship between the interaction between the tax rate and migration inflow.

10. **Interpretation**

The most significant finding from this test is the economic motivation of immigrants. The data collected from this test indicates that immigrants migrate to countries where there is low unemployment and extensive social benefits. Thus, most immigrants coming
into Europe are not seeking political protection, but rather economic opportunity. As Western European nations tend to have less unemployment and greater social benefits, immigrants could flock to Western Europe, rather than its Eastern counterpart. Such a flock could lead to individuals to vote for far-right politicians, for fear of their jobs and foreigners. This could thus support the claim made by Polyakova: that disparity in far-right political support in Europe can be explained due to regional differences, thereby leading to an increase in far-right political support in the West.

Far-right political parties do not deter immigrants, as the findings show that far-right political support and migration inflows are not correlated. That is not to say that immigrants do not lead to far-right political support, but rather that immigrants are not deterred by far-right politicians who employ xenophobic rhetoric against them upon immigrating. Thus, immigrants who move to Europe are not politically motivated to settle in an area that is more tolerant or friendly towards immigrants, but rather places with jobs and benefits. This would explain why immigration inflows into France continue to occur despite increased support for *Le Front National*. Perhaps this will change in the future if Marine Le Pen, President of *Le Front National* is elected to office and pushes forth a policy to close the border to all immigrants.

Finally, immigrants and taxes are not correlated whatsoever. While migrants do appear to be fiscally motivated, the factor of taxes appears to not be considered by immigrants when deciding upon a country to move to. A possible explanation to explain this phenomenon is perhaps numerous immigrants coming into Europe are less affluent, thus meaning that they will not be taxed as much. Thus, it doesn’t matter which nation they settle in, as their economic status would ensure that they would be taxed the least amongst
all members of society. This thereby would make the correlation between tax rates and migration inflows insignificant, as it was in this test.

11. Second Hypothesis

This hypothesis will be looking at voting populations within a country to determine the extent to which certain factors will have on far-right political support within a country. The hypothesis equation is as follows:

\[ Y(\text{Far-Right Support}) = \alpha + \beta_1(\text{Unemployment}) + \beta_2(\text{Immigration}) + \beta_3(\text{Social Spending}) + \beta_4(\text{Unemployment} \times \text{Social Spending}) + \beta_5(\text{Immigration} \times \text{Social Spending}) + \beta_6(\text{Unemployment} \times \text{Immigration}) + \beta_7(\text{Unemployment} \times \text{Immigration} \times \text{Social Spending}) + \beta_8(\text{Immigration} \times \text{Unemployment} \times \text{Social Spending} \times \text{Tax Rate}) + \varepsilon \]

Each of the variables defined in this hypothesis will be as followed:

- **Unemployment**: An independent variable. Measured as a proportion of the work force is currently out of work.
- **Immigration**: An independent variable. Measured by the yearly immigration inflows of an individual country.
- **Social Spending**: An independent variable. Measured as a percentage of a nation's GDP that is spent on social programs.
- **Tax Rate**: An independent variable. Measured as a percent of GDP taxed each year.
- **Far-Right Political Support**: Our dependent variable. A proportion of the vote share all far-right political parties receive each election.
In this study, population size will be controlled for as small nations such as Malta may skew the results for determining the effects of that immigration has on a population. The experiment will also compensate for non-election years by looking at previous election results for every year in which a national or European election did not take place.

One can expect certain relationships between the independent variables and the dependent variable of far-right political support based on the literature review and theory. They are as followed:

- **Unemployment and far-right political support are positively correlated:** When unemployment increases, far-right politicians tend to shift blame to external factors rather than internal ones. Mostly, this includes scapegoating failed EU policies and low-wage immigrants coming into a country and underbidding nationals for work. As far-right politicians advocate for restricting both immigration and EU involvement in economic affairs, unemployed individuals can be persuaded to vote for far-right politicians.

- **Immigration and far-right political support are positively correlated:** Xenophobic sentiments towards those who do not speak and look like the native population is still prevalent in Europe. An increase in immigration could potentially make the native population feel unsafe in their jobs as immigrants have the possibility to underbid their services. Thus, with an increase in immigration, the voting
population may vote for far-right political parties, as such parties advocate for protecting the native population and lowering or halting immigration.

- **Social spending and far-right political support are negatively correlated:** Far-right politicians often advocate for a decrease in social spending as a means for a private budget. The existence of a social welfare program that ensures benefits for individuals, especially in times of unemployment, would cause those to vote against far-right politicians, as citizens enjoy government handouts and benefits.

- **The interaction between unemployment and social spending is ambiguous.** As unemployment is positively correlated to far-right political support and social spending is negatively correlated, the correlation of this interaction will depend upon the unemployment rate and the extent of social benefits.

- **The interaction between immigration and social spending is ambiguous:** As immigration is positively correlated to far-right political support and social spending is negatively correlated, the correlation of this interaction will depend upon the number of immigrants and the size of social benefits.

- **The interaction between unemployment and immigration is positively correlated:** As both of these variables are positively correlated to far-right political support. Thus, the interaction between the two would lead to an increase in far-right political support.
• The interaction between unemployment, immigration, and social spending, is ambiguous: As unemployment and immigration are positively correlated but social spending is negatively correlated, the correlation of this interaction will depend upon the number of immigrants, the size of social spending, and the size of unemployment.

• The interaction between unemployment, immigration, social spending, and tax rate is ambiguous: As unemployment and immigration are positively correlated but social spending is negatively correlated and because an increase in tax rate could lead to a mitigation of the effects of social spending, the correlation of this interaction will depend upon the number of immigrants, the size of social spending, the unemployment rate, and the size of the tax rate.

Based of this, one would expect places with high immigration, high unemployment, and few social benefits with higher tax rates to have the highest amount of far-right support. The lowest amount of far-right political support would be a country with extensive social benefits, low tax rates, low unemployment and low amounts of immigration into a country.

12. Research Design

In regards to visualizing the data, this thesis will implement a cross-sectional time series, in which we compare all 28 EU nations’ proportion of far-right political support since democratic elections commenced in each respective country. After that, a
multivariate regression will occur in each country to see the effects that unemployment, immigration, tax rate, and social spending has on far-right political support in each country.

13. Data

The best way to measure far-right political support is to look at elections in each country and calculating what proportion of the vote all far-right parties received. Because elections do not happen every year, it is important to consider as many elections as possible. Most of the 25 of the EU states with the exceptions of the United Kingdom, France, and Lithuania, have a Proportional representation system for their legislative body, thus allowing for easy comparison of those 25 nations. For all 28 nations though, their representatives to the European Parliament are all elected using a proportional representation system, so this experiment will be using that as well. For the three nations that don’t use a PR system, the data for national elections and for the EU parliament will have to be aggregated separately, otherwise, the data may show huge spikes in support in EU parliament years and very little in national election years. All this data was accessed online through Eurostat and the Global Elections Database. EU Parliament election data was compiled for each country at the time of their first elections held for the body until the most recent election in 2014. National election data aggregation will begin at the time in which free and fair elections first began for each EU member state following the end of the Second World War until their most recent election as of December 31, 2015.

Immigration patterns are vital for analyzing the dataset. Such data can be found from the United Nations from 1980-2013. Because there is great disparity in populations in the EU, immigration will be measured as a proportion of the population for the given year.
For measuring the tax rate, one will measure the average payroll tax rate as a percentage of GDP for each country due to the fact that taxes can vary by income bracket and between countries. All such tax rates are available on Eurostat, as well as from the OECD. Again, the experiment will be looking at the average tax rate for each country from either 1945 to 2015 or 1990 to 2015.

Finally, social spending will be measured as a percentage of gross domestic product that is used on social programs. Such programs include healthcare, unemployment compensation, and family benefits. Eurostat and OECD provides data to each country's annual spending on social spending as a percentage of GDP.

The unit of analysis for this research design is country year per each of the 28 EU nations.

14. Results

Table 2, as presented below, shows the effects in which unemployment, immigration, social spending, and tax rate have on far-right political support in all 28 EU nations. The table presents each variable both separate, as well as interacted between the other variables as detailed in the hypothesis. Specific components as laid out in the hypothesis are presented in the table in bold. Overall, this test had 203 total observations to determine statistical significance. It should also be mentioned that this test controlled for country fix effects, as an attempt to control for disparity between different countries and their respective far-right political support. Such examples include electoral system, culture, and attitudes.
Table 2
Determinants for Far-Right Political Support

<table>
<thead>
<tr>
<th></th>
<th>avgRW</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unemployment</td>
<td>-0.552</td>
</tr>
<tr>
<td></td>
<td>(-0.08)</td>
</tr>
<tr>
<td>Immigrant</td>
<td>-55.9</td>
</tr>
<tr>
<td></td>
<td>(-0.74)</td>
</tr>
<tr>
<td>Unemployment#Immigrant</td>
<td>112.1</td>
</tr>
<tr>
<td></td>
<td>(-0.10)</td>
</tr>
<tr>
<td>Social Spending</td>
<td>-1.978</td>
</tr>
<tr>
<td></td>
<td>(-0.65)</td>
</tr>
<tr>
<td>Unemployment#Social Spending</td>
<td>9.385</td>
</tr>
<tr>
<td></td>
<td>(-0.30)</td>
</tr>
<tr>
<td>Immigrant#Social Spending</td>
<td>327.9</td>
</tr>
<tr>
<td></td>
<td>(-0.95)</td>
</tr>
<tr>
<td>Unemployment#Immigrant#Social Spending</td>
<td>-1708.3</td>
</tr>
<tr>
<td></td>
<td>(-0.37)</td>
</tr>
<tr>
<td>TaxRate as a of GDP</td>
<td>-0.652</td>
</tr>
<tr>
<td></td>
<td>(-0.32)</td>
</tr>
<tr>
<td>Unemployment#TaxRate as a of GDP</td>
<td>1.234</td>
</tr>
<tr>
<td></td>
<td>(-0.06)</td>
</tr>
<tr>
<td>Immigrant#TaxRate as a of GDP</td>
<td>164.8</td>
</tr>
<tr>
<td></td>
<td>(-0.71)</td>
</tr>
<tr>
<td>Unemployment#Immigrant#TaxRate as a of GDP</td>
<td>-542.6</td>
</tr>
<tr>
<td></td>
<td>(-0.16)</td>
</tr>
<tr>
<td>Social Spending#TaxRate as a of GDP</td>
<td>5.171</td>
</tr>
<tr>
<td></td>
<td>(-0.59)</td>
</tr>
<tr>
<td>Unemployment#Social Spending#TaxRate as a of GDP</td>
<td>-27.52</td>
</tr>
<tr>
<td></td>
<td>(-0.30)</td>
</tr>
<tr>
<td>Immigrant#Social Spending#TaxRate as a of GDP</td>
<td>-965.5</td>
</tr>
<tr>
<td></td>
<td>(-0.94)</td>
</tr>
<tr>
<td>Unemployment#Immigrant#Social Spending#TaxRate as a of GDP</td>
<td>5659</td>
</tr>
<tr>
<td></td>
<td>(-0.41)</td>
</tr>
<tr>
<td>Constant</td>
<td>92.76</td>
</tr>
<tr>
<td></td>
<td>(-0.17)</td>
</tr>
</tbody>
</table>

Notes: t statistics in parentheses; * p<0.05, ** p<0.01, *** p<0.001

Number of Observations 203
To start, the variable $\beta_1$ captured unemployment rate for a given year in each country as it affects far-right political support. This test actually showed a negative correlation between unemployment and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in unemployment, the predicted decrease in far-right support was 0.00552%; however, this coefficient is insignificant as the analysis shows there is no statistically reliable relationship between unemployment and far-right political support.

The variable $\beta_2$ captured immigration inflows for a given year in each country as it affects far-right political support. This test actually showed a negative correlation between unemployment and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in migrants, the predicted decrease in far-right support was nearly 0.56%; however, this coefficient is insignificant as the analysis shows there is also no statistically reliable relationship between immigration and far-right political support.

The variable $\beta_3$ captured social spending as a percentage of GDP for each country as it affects far-right political support. This test showed a negative correlation between social spending and far-right political support, as expected. The coefficient estimate of beta indicates that for every additional 1% increase in social spending, the predicted decrease in far-right support was 0.01978%; however, this coefficient too is insignificant as the analysis shows there is also no statistically reliable relationship between social spending and far-right political support.

The variable $\beta_4$ captured an interaction between the unemployment rate for a country and the percentage of national GDP spent on social programs as it affects far-right
political support. This test actually showed a positive correlation between the interaction between social spending and unemployment and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in this interaction, the predicted increase in far-right support was .09385%; however, this coefficient is insignificant as the analysis shows there is also no statistically reliable relationship between the interaction between unemployment and social spending and far-right political support.

The variable β5 captured an interaction between immigrant inflows for a country and the percentage of national GDP spent on social programs as it affects far-right political support. This test showed a positive correlation between the interaction between social spending and immigration and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in this interaction, the predicted increase in far-right support was 3.27869%. While this number is quite large compared to the other beta variables, it should be mentioned that this coefficient is insignificant also, as the analysis shows there is also no statistically reliable relationship between the interaction between immigration and social spending and far-right political support.

The variable β6 captured an interaction between immigrant inflows for a country and the unemployment rate as it affects far-right political support. This test showed a positive correlation between the interaction between unemployment and immigration and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in this interaction, the predicted increase in far-right support was 1.221%; yet, this coefficient is also insignificant as the analysis shows there is also no
statistically reliable relationship between the interaction of immigration and unemployment and far-right political support.

The variable $\beta_7$ captured an interaction between immigrant inflows for a country, percent of GDP spent on social programs and the unemployment rate as it affects far-right political support. This test showed a negative correlation between the interaction between social spending, unemployment, and immigration and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in this interaction, the predicted decrease in far-right support was 17.083%. While this coefficient brings into question the validity of the model, it should be mentioned that this coefficient is also insignificant, for the analysis shows there is also no statistically reliable relationship between the interaction of immigration, social spending, and unemployment and far-right political support.

The variable $\beta_8$ captured an interaction between immigrant inflows for a country, tax rate as a percentage of GDP, percent of GDP spent on social programs, and the unemployment rate as it affects far-right political support. This test showed a positive correlation between the interaction between social spending, unemployment, tax rate, and immigration and far-right political support. The coefficient estimate of beta indicates that for every additional 1% increase in this interaction, the predicted decrease in far-right support was 56.59%. Like all preceding coefficients, this coefficient is insignificant as the analysis shows there is also no statistically reliable relationship between the interaction of immigration, social spending, tax rate, and unemployment and far-right political support.
15. Interpretation

In short, the most significant finding from this test is that none of the expected variables that one would expect to lead to far-right political support are statistically significant. In face, the entire model was statistically insignificant as the $F$-Statistic was larger than .05. Every $p$ value calculated in this test was larger than .05, thus making all the variables tested irrelevant to determining what causes far-right political support. Despite the literature and experts who claim that immigration with high unemployment causes citizens to turn to far-right political parties, this test proves otherwise. Thus, in this hypothesis, the null fails to be rejected.

As previously stated, based on the data collected, there appears to be no correlation between unemployment, tax rate, social spending, or immigration on far-right political support in EU nations. Despite this however, this remains a significant finding in and of itself. Almost all political experts attribute the rise of the political far-right in Europe to immigration, yet this test clearly refutes that statement. There can still exist some validity in the statement that immigration leads to the rise of the political far-right; however, it must be qualified.

It cannot be said that immigrants flowing into a country and stealing jobs will lead to far-right political support, but rather the fear of immigrants itself. The experiment conducted proves that the number of immigrants entering a country and the amount of support a far-right political party receives are not correlated at all. Perhaps what is actually occurring is that the rhetoric used by far-right politicians in the European Union, such as Geert Wilders of the Netherlands, Marine Le Pen of France, and Nigel Farage of the United Kingdom does not actually reflect the current political situation. The rhetoric used by these
politicians can be classified as populist, as each one of these politicians has used immigration as a scapegoat for any shortcoming by the current administration. So perhaps the rhetoric and propaganda used by these politicians strikes enough fear in voters to cast their vote for a historically fringe candidate.

This brings up another point as to why there appears to be no correlation between the previously mentioned factors and far-right political support: voter knowledge. Not every voter is a political expert and keeps up with current affairs. Thus, if a voter is told that their job is under threat by low-wage immigrants pouring into a country, that voter could feel compelled to vote for the party that will restrict immigration. This is due to voters being more self-interested in their own well-being, rather than for their country as a whole. While a low-wage worker may be unemployed and is told that immigrants and globalization are responsible for them being unemployed, they may feel overly compelled to vote for the candidate who advocates for national interests and trade protectionism in order to bring back jobs all the while other socio-economic classes could be living quite comfortably. Thus, certain voters can buy into far-right politicians rhetoric far easier if it is indicative of their personal circumstance, even though it isn’t that of the country as a whole.

16. Conclusion

The rise of the political far-right has and will continue to shape the future of not just the European Union, but the global order as well. The effects of globalization have created a renewed sense of nationalism and identity in the wake of increased immigration and

---

outsourcing of low-wage jobs. Immigrants tend to be economically motivated in terms of resettlement, as they migrate to places with social benefits and low unemployment, rather than places that are politically more comfortable for themselves. This occurrence has lead to an increased outcry by far-right politicians across Europe claiming that unfettered immigration has led to European nationals to lose their jobs to low-wage immigrants, who come into a country and reap the benefits of the welfare system. While far-right politicians will appeal to their base with this rhetoric, this thesis proves that the rhetoric used by these politicians does not equate to the actual circumstance occurring. Tests conducted in this paper show that individuals will vote for far-right politicians regardless of the actual migration flows, unemployment, or social spending in a country. Thus, the rise of the political far-right is a phenomena linked to generalized policy positions, symbolic representations, and overly-exaggerated or even false claims rather than the effects of such policies on a country.
References


Eurostat (2015) “Main national accounts tax aggregates”


“Global Elections Database”


