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Globalization, the welfare state and right-wing populism in Western Europe[1]

Duane Swank[1] and Hans-Georg Betz[2]

[1]Department of Political Science, Marquette University, P.O. Box 1881, Milwaukee, WI 53201–1881 and
[2]Canadian Centre of German and European Studies, York University

Correspondence: duane.swank@masquette.edu

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We outline and test the argument that globalization contributes to the electoral success of the new far right in Western Europe. We also draw on the theory of embedded liberalism to advance and test the hypothesis that a comprehensive, generous and employment-orientated system of social protection lessens the economic insecurities attendant to internationalization and, in turn, weakens support for far-right parties. In empirical analysis of national elections in 16 European polities from 1981 to 1998, we find that the universal welfare state directly depresses the vote for radical right-wing populist parties and conditions the linkages between capital mobility, trade openness and foreign immigration on the one hand and electoral support for the new far right on the other. In conclusion, we consider our findings' implications for understanding the domestic political effects of globalization and sources of right-wing populism as well as for policy reforms that promote political economic stability in an era of international integration.

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1. Introduction

During the past two decades, radical right-wing populist parties have garnered electoral support approaching or exceeding 10% of the national parliamentary

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vote in roughly half of the polities of Western Europe. The emergence and notable growth of the new far right has occurred concomitantly with significant increases in international integration, post-industrialization and the rise of 'post-materialist' values and policy orientations. Many scholars have stressed that, similar to past movements of the far right, radical right-wing populist parties have appealed to, and received support from, groups that lose from contemporary features of modernization (e.g. Betz, 1994; Kitschelt, 1995; Kriesi, 1999).

In this paper, we provide an assessment of the relationship between one major feature of contemporary structural change—globalization—and electoral success of new far-right parties. International integration of European economies and societies has been pronounced and it has occurred simultaneously with the rise of the new far right. In addition, analysis of individual-level survey data has shown that, while the electoral base of the new far right is broad, the traditional middle class and semi- and unskilled workers—groups that face ostensible risks to income and employment and challenges to traditional values, institutions and social status in the wake of globalization—disproportionately support radical right-wing populist (RRWP) parties. Finally, despite ample academic and popular commentary, there has been little systematic empirical analysis of the potentially important electoral impacts of globalization.

While highlighting the potential significance of the direct electoral impacts of international integration, we also stress that the domestic political economic consequences of globalization are likely to be shaped by the structure of national institutions.[2] Specifically, we develop and test the argument that welfare states characterized by universal coverage of populations, a generous social wage and well developed employment policies depress the support for the new far right in times of new risks and insecurities. While we recognize (and even emphasize) the tax backlash and anti-statist components of RRWP party appeal, we also argue that, at comparable levels of taxation, 'universalistic' welfare states do a better job than other systems of social protection of buffering individuals from risks to income and employment posed by internationalization and bolstering mass support for state institutions.

The paper is organized as follows. In the first section, we present our theoretical arguments, while in the second we delineate general empirical models; in the third section, we offer methodological details and in the fourth we report the results of statistical analyses of data from 16 polities between 1981 and 1998 (Table 1). In the conclusions, we discuss our analyses' contributions to understanding the domestic political consequences of internationalization, the electoral fortunes of the new far right and the roles of social policies in easing the structural transformation of West European economies.

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[2] For reviews of the literature and new evidence on how national institutions shape the domestic performance and policy impacts of internationalization, see, among others, Keohane and Milner (1996), Kitschelt *et al.* (1999) and Swank (2002).

Table 1 National vote shares for right-wing populist parties, 1981–98

Country	Principal parties	Election year (vote share, %*)
Austria	Freedom Party (FPÖ)	1983 (5.0); 1986 (9.7); 1990 (16.6); 1994 (23.0); 1995 (21.9)
Belgium	Vlaams Block (VB); National Front (Fnb)	1981 (1.1); 1985 (1.5); 1987 (2.0); 1991 (7.6); 1995 (10.1)
Denmark	Progress Party (FPd)	1981 (8.9); 1984 (3.6); 1987 (4.7); 1988 (9.0); 1990 (6.4); 1994 (6.4); 1998 (9.0)
Finland	None	1983 (0.0); 1987 (0.0); 1991 (0.0); 1995 (0.0)
France	National Front (FN)	1981 (0.2); 1986 (9.8); 1988 (9.8); 1993 (12.7); 1997 (14.0)
Germany	Republicans (REP)	1983 (0.0); 1987 (0.0); 1990 (2.3); 1994 (1.9); 1998 (2.0)
Greece	None	1981 (0.0); 1985 (0.0); 1990 (0.0); 1993 (0.0); 1996 (0.0)
Ireland	None	1981 (0.0); 1982 (0.0); 1987 (0.0); 1989 (0.0); 1992 (0.0); 1997 (0.0)
Italy	Lega Nord (LN)	1983 (0.3); 1987 (1.7); 1991 (9.1); 1994 (8.4); 1996 (9.0)
Netherlands	None	1981 (0.0); 1982 (0.0); 1986 (0.0); 1989 (0.0); 1994 (0.0); 1998 (0.0)
Norway	Progress Party (FPn)	1981 (4.5); 1985 (3.7); 1989 (13.3); 1993 (6.3); 1997 (9.0)
Portugal	None	1983 (0.0); 1985 (0.0); 1987 (0.0); 1991 (0.0); 1995 (0.0)
Spain	None	1982 (0.0); 1986 (0.0); 1989 (0.0); 1993 (0.0); 1996 (0.0)
Sweden	New Democracy	1982 (0.0); 1985 (0.0); 1988 (0.0); 1991 (6.7); 1994 (1.2); 1998 (1.0)
Switzerland	Automobile Party (AP); League of Tessins (LT)	1983 (0.0); 1987 (2.6); 1991 (6.5); 1995 (4.9)
UK	None	1983 (0.0); 1987 (0.0); 1992 (0.0); 1997 (0.0)

* Percentage of the national vote for lower chamber of national parliament.

2. Internationalization, the welfare state and the new far right

Unlike the traditional extreme right in Western Europe (e.g. Italian Social Movement/National Alliance), the new far right cannot be directly linked to the ideology and historical experience of fascism. Rather, the character of these parties is fundamentally shaped by the socio-economic and political environments of the post-World War II era. Following Betz (1994), we label these new parties 'radical right-wing populist' (hereafter RRWP) parties.[3] We include in this group those parties which (a) reject the principle of individual and social equality while promoting socio-economic and political frameworks that foster or accentuate individual or social inequality; (b) advocate a fundamental change of the existing socio-economic or political systems without, however, calling into question the basics of the constitutional democratic order; and (c) appeal to latent public sentiments of resentment, disillusionment or anxiety while legitimizing their political demands with reference to the common sense of the 'silent majority'. Concretely, RRWP parties typically embrace neoliberal economic programmes, xenophobia and strident anti-establishment positions.

Table 1 lists principal RRWP parties by country and reports results for 83 elections to lower chambers of national parliaments in the period 1981–98. For the major West European nations included in our study, RRWP parties have won significant vote shares in nine of the 16 countries. In eight of these nine cases, they have received 6% or more of the national vote in at least one election. On occasion, they have reached or surpassed the 10% mark [e.g. Austrian Freedom Party (FPÖ), French National Front (FN)]. With a few exceptions (e.g. the Scandinavian Progress parties), new far-right parties became electorally consequential in the 1980s and experienced increasing levels of support throughout the decade and during the 1990s.

The electoral constituency of these parties spans the major social categories of contemporary European electorates. On the other hand, several social aggregates—groups that currently face ostensible insecurities and risks to material well-being, social status and values—disproportionately support RRWP parties. As past research suggests, in the 1970s and early 1980s electoral support for extant RRWP parties was somewhat concentrated in middle-class strata, particularly among small shopkeepers, farmers and the self-employed. Most RRWP parties, however, increased their support in the 1980s and 1990s among younger, semi- and unskilled

[3] Descriptive and analytical overviews of RRWP parties may be found in Ignazi (1992), Betz (1994), Mudde (1995), Taggart (1995) and von Beyme (1988). Our distinction between 'new right-wing' and traditional extreme-right parties is consistent with Ignazi (1992) and Taggart (1995); it is also generally consistent with Kitschelt (1995), although Kitschelt emphasizes party diversity and offers analysis suggesting that individual parties lean towards one of three categories (new far right, anti-statist/populist, social authoritarian).

and male workers with low to moderate levels of education (e.g. Swyngedouw, 1994; Giacometti and Paris, 1995; Plasser and Ulram, 1995; Betz and Immerfall, 1998). Recent analyses confirm that RRWP party support comes disproportionately from those groups that potentially lose from contemporary socio-economic change, fear a deterioration of economic fortunes and possess values that support dramatic reforms of the political economy. For instance, Kriesi's (1999) analysis of early-1990s Eurobarometer data on the composition of support for eight far-right parties in seven countries indicates that those voters with lower educational attainment, those who fear a deterioration in their economic situation and those who work as farmers, artisans and low-skilled workers disproportionately support the new far right in a large majority of cases. Kitschelt's (1995) extensive and detailed analysis of 1990 World Values Survey data also suggests that for prototypical new far-right parties (the French FN and Scandinavian Progress parties), blue-collar workers and small-business owners are over-represented, as are voters who possess right-authoritarian value orientations (e.g. support for social order, cultural homogeneity) and anti-statist attitudes.

This pattern of support for RRWP parties is often explained by reference to one or a subset of features of the contemporary economic and socio-cultural change (and to general party-system dynamics and country-specific factors). We have little or no evidence, however, about the precise roles of international and various domestic forces in shaping RRWP party success. Moreover, we understand little about how national institutions might condition the electoral impacts of globalization. We now turn to a succinct explication of theory on the possible electoral impacts of globalization and on the likely roles of welfare state structures in shaping those impacts.

2.1 Theory: the electoral impacts of globalization

West European nations, as all developed democracies, have experienced significant international integration of markets since the 1960s. Facilitated by the reduction in transaction costs through technological changes, new institutions and the notable post-1970s liberalization of transnational exchange, annual trade in goods and services in the 16 largest West European nations (Table 1) grew from a national average of 63% of gross domestic product (GDP) in 1976 to 79% in 1998. Comparable increases have been observed for general merchandise trade (from 51% to 64% of GDP between 1976 and 1998) while somewhat slower rises in trade in goods with developing economies have occurred (from 8% to 11% of GDP between 1976 and 1998).[4] Moreover, the typical West European economy has experienced a dramatic

[4] See Appendix 1 for descriptions and sources for all data discussed in this and subsequent sections.

expansion of capital openness. Annual average flows of foreign direct investment for the typical nation have increased from roughly 1% to 10% of GDP between 1976 and 1998; similar growth has been observed for portfolio investment and bank lending. Moreover, indicators of actual financial market integration (e.g. covered interest rate differentials) reveal that European capital markets were substantially integrated with world markets (subject to exchange rate premia) by the early 1990s.

In addition, significant foreign immigration of culturally diverse populations has occurred for several decades throughout Western Europe. By 1980, the foreign resident share of West Europe societies averaged 5% of the population; despite significant new restrictions on inflows of immigrants, this share increased to 7% on average by 1999.[5] Refugees and asylum seekers account for substantial components of the 1980s and 1990s rise in foreign populations: total West European applications for asylum averaged 400 000–800 000 per year during the 1991–9 period. At the end of the 1990s, roughly 6.5% of the typical European labour force was composed of foreign workers. What are the consequences of these trends in international movements of capital, goods and services, and workers for support of the new far right?

2.1.1 Economics Theory and research on the economic impacts of globalization stress that transnationally mobile manufacturing and financial enterprises as well as highly skilled professionals, technical personnel and managers are the 'winners' of internationalization (e.g. Rodrik, 1997). Globalization of markets, however, generates losses and new economic insecurities for some occupational strata and sectors. Specifically, Heckscher–Ohlin/Stolper–Samuelson models predict that semi- and unskilled workers bear significant costs of the globalization of developed economies. That is, models of factor-price convergence suggest that the relative prices commanded by comparatively scarce factors in the developed economies (semi- and unskilled workers) decline with internationalization as the relative demand for comparatively abundant factors (highly skilled workers) increases (for a theoretical overview, see Frieden and Rogowski, 1996). Together, trade, capital mobility and immigration of workers may contribute to the decline in the relative wages and employment of increasing numbers of lower-skilled workers. In addition, the traditional middle class may be economically disadvantaged (as well as facing threats to traditional institutions, values and status). As Jeffry Frieden (1991, p. 426) has argued, '. . . in the developed world, financial integration favors

[5] Computations of averages of various groups of foreign immigrants are based on 11 major nations for which data are consistently available: Austria, Belgium, Denmark, France, Germany, Italy, The Netherlands, Norway, Sweden, Switzerland and the UK.

capitalists with mobile or diversified assets and disfavors those with assets tied to specific locations and activities such as manufacturing and farming'. That is, from the perspective of Ricardo–Viner models, internationalization's effects are also sector specific. Finally, Rodrik (1997) and others have argued that while internationalization is dominated by north–north flows in Western Europe, it has also resulted in rises in the demand elasticity for wage earners (as workers, for instance, in France, Germany and Sweden become more ready substitutes for each other in response to price changes). Thus, employment, wages and consumption may become more volatile as globalization increases.

There is substantial debate, however, about whether or not globalization is the main cause of the decline in relative wages and employment of lower-skilled workers. The strongest evidence has been supplied by Wood (1994, 1995), who utilized factor content analysis of trade flows between developed and developing economies to estimate that trade is responsible for a 21.5% decline in the demand for lower-skilled workers in developed economies. However, Burtless (1995) points out that, at least in the case of the USA, decline in demand for lower-skilled workers has occurred at a roughly equal pace in both tradable and non-tradeable sectors. Among other criticisms of factor-price convergence models, Krugman (1996) notes that the weight of north–south trade in manufactured goods is so small that it can account for only a small fraction of the decline in demand for lower-skilled workers in developed economies. Generally, the literature suggests that technological change, changes in consumer preferences and other factors account for significant portions of the decreases in wages and employment of lower-skilled workers.

Overall, the evidence suggests that internationalization is associated with modest declines in demand for lower-skilled workers and some increase in economic uncertainties (as well as attendant threats to the social status, values and institutions of affected groups).[6] Nevertheless, despite the absence of a dominant role for globalization, international integration should contribute to the inclination of some voters to support parties that oppose international liberalization and offer clear programmatic solutions to associated problems; this seems particularly likely if perceptions of burdens exceed actual costs of globalization.

2.1.2 Perceptions and politics As the Organization for Economic Cooperation and Development (OECD, 1994) has suggested, despite evidence of relatively moderate costs to workers of increases in flows of trade, capital and labour, there appears to be a relatively widespread belief among electorates that internationalization plays

[6] See OECD (1994) and Freeman (1995). On the problems of disentangling the effects of trade and technology on the demand for lower-skilled workers, see Feenstra (1998). On the impact of immigration on labour markets, see the synoptic survey of the evidence by OECD (2001).

a substantial role in adverse economic outcomes.[7] Indeed, in the most exhaustive analysis to date, Scheve and Slaughter (2001) have examined the perceptions of American workers about the costs and benefits of globalization and, in turn, workers' policy preferences. In summarizing their findings, Scheve and Slaughter (2001, p. 9) note:

> . . . the majority also have concerns about these [international] transactions, in particular their adverse labor market impacts. On balance, more people seem to weigh these costs as more important than the benefits, such that . . . they respond with preferences for policies aimed at less, not more, liberalization of trade, immigration, and FDI. . . . Less-skilled individuals, measured by educational attainment or wages earned, are much more likely to oppose freer trade and immigration than their more-skilled counterparts.

A. M. Mayda and D. Rodrik (unpublished data) draw similar conclusions for the developed democracies as a whole from their analysis of International Social Survey Program and World Values Survey data. They conclude that a majority of citizens in the typical developed democracy supports restricting trade and that these protectionist attitudes vary systematically with education and occupational levels. Consistent with Stolper–Samuelson models of factor-price convergence, Mayda and Rodrik find that in developed democracies where human capital is abundant, workers with higher education and occupational attainments are more likely to support free trade.[8]

Generally, the tangible effects of international integration on significant socio-economic groups, the likely tendency of citizens to weigh costs of globalization more heavily than benefits and the widespread support among mainstream parties for 1980s and 1990s liberalization of international markets have offered an electoral opportunity for RRWP parties.[9] In fact, these parties have commonly targeted

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[7] Generally, expansions of trade may be accompanied by popular perceptions that economic performance problems arise from increasing imports from countries that practise 'unfair competition'. Moreover, dramatic rises in capital mobility and anecdotal media reports of the relocation of production may lead to beliefs that outflows of investment contribute to large job losses. These perceptions may be reinforced by the view that internationalization fosters a loss of national autonomy over economic policies and increases inflows of foreigners that, in turn, contribute to economic difficulties.

[8] See Gabel (1998) and the literature reviewed there on attitudes towards capital, trade and immigration within the context of European Union-building; that research reaches broadly similar conclusions.

[9] With regard to partisan support for liberalization, while Quinn and Inclan (1997) have demonstrated that the timing of liberalization has varied by partisan preferences, their analysis also illustrates that liberalization of trade and capital restrictions has advanced significantly under all governments during the 1980s and 1990s.

electoral appeals to those who face economic uncertainties if not losses in the wake of globalization and domestic change and to those who possess diffuse anxieties, fears and resentments in the wake of structural changes. Specifically, RRWP parties, while supporting free markets and liberalization domestically, have systematically criticized international openness. For instance, combating 'unfair competition' has been a major position of the French FN and 'mondialisme' has been identified as the major source of the problems of French workers. In Austria, FPÖ leader Jörg Haider has pointed out that Austria might have to protect itself against unfair competition by introducing 'selective protectionist' measures. In their party's platform, German Republikaners expressed similar policy orientations, arguing for instance that Maastricht's monetary integration was a sell-out of national interests. In Italy, Lega Nord leaders have combined anti-globalization rhetoric with criticism of centralized government, taxation, southern Italians and foreigners (for France, see Le Pen, 1995; for Austria, see Haider, 1993; for Italy, see Beirich and Woods, 2000; for Germany, see *Die Republikaner, Parteiprogramm*). Moreover, as Betz (2003) has argued, RRWP parties elsewhere across Western Europe have increasingly articulated a coherent ideology of differentialism and national identity, where immigration and homogenizing forces of internationalization are opposed on the grounds that rights of citizens to cultural identity within the nation state should be defended.[10]

In sum, theory and evidence suggest that globalization modestly affects the demand for lower-skilled workers and may contribute (through impacts on demand elasticity) to insecurities of employment and income for many wage earners; it also relatively disfavours those with immobile assets. Mass publics in all likelihood tend to weigh the costs of globalization more heavily than benefits. RRWP parties may well have gained electorally from nationalist foreign economic programmes, anti-immigrant policies and strident anti-establishment themes as international economic integration proceeded and as mainstream parties broadly participated in 1980s and 1990s liberalization of restrictions on international economic activity.

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[10] Although extensive cross-national time-series data are unavailable, there is some circumstantial individual-level evidence for the linkage between internationalization and the success of RRWP party appeals: national survey research showing that RRWP party supporters are more likely to oppose and fear exposure to global markets and European economic integration than average voters. For example, and indicative of much of the research on European opinion poll data, 79% of 1994 French FN supporters said that they feared the consequences of European integration (compared with 46% of the whole population); in the same survey, 78% said that they favoured protectionism (compared with 51% of whole population) (SOFRES 1995). With regard to Italy, Beirich and Woods (2000, p. 142) have recently reported that northern Italian blue-collar workers and artisans—the core constituency of the Lega Nord—are disproportionately fearful of the effects of globalization on regional economic conditions and autonomy. The authors argue that 'the League has linked control over external factors to the need for increased regional autonomy . . . Without this control, League supporters fear being overwhelmed by the forces of globalization.'

2.2 Theory: the role of the welfare state

The domestic political impacts of globalization may be universally manifest across West European polities; alternatively, these impacts may vary in magnitude and direction with domestic institutional contexts. National systems of social protection seem particularly relevant to our central questions. In the post-World War II era, the welfare state has been regarded as an integral feature of embedded liberalism: in the most open economies, encompassing networks of social protection have buffered workers from the vicissitudes of liberalized international markets and, thus, promoted economic and political stability (e.g. Cameron, 1978; Ruggie, 1982; Katzenstein, 1985). As Garrett (1998) has recently pointed out, there is little reason to suspect that the 'compensation' function of the welfare state has diminished; in fact, with contemporary advances in liberalization and international flows, it has arguably grown to be more important (see also Rodrik, 1997).

Some welfare states, however, may be more successful than others in promoting socio-economic and political stability. At comparable levels of taxation, universalistic welfare states—systems characterized by comprehensive coverage of citizens within risk categories, a generous social wage and well developed active labour market programmes—will do a better job than corporatist conservative (and liberal) welfare states in weakening the linkage between new insecurities and risks and electoral support for RRWP parties.[11] That is, where the welfare state comprehensively protects workers at relatively high levels of income replacement and provides substantial subsidies for public or private sector jobs, training and labour market services, the impetus to vote for parties that articulate nationalist foreign economic policies, radical reform of the political economy and anti-immigrant policies should be diminished for some voters that would otherwise support the new far right. However, while providing very generous income replacement to workers with long-established employment records and privileged socio-economic status, the typical corporatist conservative welfare state provides no (or a very low) social minimum level of support for workers with weak or intermittent employment records (e.g. young, lower-skilled workers) and, at best, relatively modest levels of active labour market policy.[12] Indeed, as analysts have argued, one of the largest

[11] Following Esping-Andersen's (1990) formulation, corporatist conservative welfare states are characterized by generous occupationally based social protection, social insurance funding and relatively low levels of social service provision and active labour market policies. Liberal welfare states are characterized by disproportionate reliance on means-testing and private insurance as well as moderate to low levels of income replacement and social service provision. Generally, well developed universal and corporatist conservative welfare states have similar tax burdens (Swank, 2002).

[12] For instance, mean 1986–9 total active labour market spending per unemployed worker was US$15 632 in the universal welfare states and US$3182 in the corporatist conservative welfare states.

threats to the efficacy and legitimacy of the corporatist conservative welfare state is the expansion of 'social exclusion' of increasing numbers of citizens (e.g. Béland and Hansen, 2000).

In addition, Bo Rothstein's (1998) analysis suggests that the political and moral logic of the universal welfare state will promote high levels of mass support for welfare state and national institutions. The political logic of the universal welfare state weds the self-interest of the poor, working class and middle class through relatively generous and universal social insurance and services. As to the moral logic, values of equal respect and concern embodied in programme structure, broadly targeted universal benefits, carefully adapted delivery organizations and participatory administrative processes achieve relatively high levels of contingent consent from the citizenry. Solidarity, trust and confidence in state intervention are promoted. Everything else being equal, this support may well depress the resonance with some voters of anti-statist and anti-establishment RRWP party electoral appeals.[13] While a similar 'moral logic' can be applied to the corporatist conservative welfare states (e.g. given the prevalence of the principle of solidarity), the occupational fragmentation of the system and the potential for social exclusion arguably make it more vulnerable to attacks and less capable of addressing new risks and insecurities (e.g. Clasen, 1997; Béland and Hansen, 2000). For welfare states characterized by the more liberal attributes of disproportionate reliance on means-tested programmes and private insurance (e.g. Thatcher's Britain), the political and moral logics that support the welfare state are weaker.[14]

Overall, at similar levels of taxation and political economic structure, we expect universal welfare states to be associated with less support for the new far right; we also expect universalism to weaken the positive impact of globalization on the electoral success of RRWP parties. To be completely clear, we are not arguing that polities with universal welfare states will have no (or even small) RRWP parties. Our argument is that, net of other forces (which may produce electorally consequential RRWP parties in relatively universalistic welfare states such as Denmark and Norway), a social policy configuration of comprehensive coverage, a generous social wage and well developed active labour market policy will tend to depress the vote for RRWP parties and weaken the linkage between internationalization and RRWP party support.

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[13] Moderate reforms notwithstanding, the universal welfare states of Northern Europe have sustained relatively high levels of public support and, in turn, retained their basic character in the face of 1980s and 1990s retrenchment pressures (e.g. Swank, 2002, ch. 4).

[14] In liberal welfare states, problems related to substantive justice, procedural justice and a fair distribution of burdens are endemic. A climate of distrust, conflict and competition among beneficiaries and among beneficiaries and non-beneficiaries is promoted by liberal programme structure.

3. Empirical models and measurements

To explore our theoretical arguments about the electoral effects of internationalization, we focus on RRWP party vote shares in national parliamentary elections in 16 West European nations (Table 1) between 1981 and 1998.[15] We concentrate on national parliamentary elections (lower chambers) because such a focus provides an electoral arena that is relatively consistent in structure and in political importance across nations and time. To test our central propositions about internationalization and its mediation by welfare state structures, we control for several factors highlighted in the theoretical, case study and quantitative literatures on the rise of the new far right.

Our general model of RRWP vote shares specifies that electoral success will be directly influenced by a set of domestic economic and political forces. With regard to economies, post-industrialization should matter. Central to post-industrialization is the growth of an array of public and private sector administrative, technical and professional positions in the business, financial, social and personal services sectors (e.g. Lash and Urry, 1987). Secondly, the traditional 'Fordist' labour force has given way to a highly skilled and well trained 'post-Fordist' workforce, working in smaller and more dispersed production units (e.g. Piore and Sabel, 1984). These workers, together with highly educated service sector workers and higher-level public and private sector managers and administrators, constitute the economic beneficiaries of post-industrialization. These changes, which create market premiums for highly skilled and educated workers, may contribute to economic uncertainty and loss of social status for those in traditional occupations and industries. More directly, post-industrialization has been manifested as 'de-industrialization', or the secular erosion of the volume of manufacturing jobs. Net of other factors, job loss, uncertainty and decline in social status that tend to accompany these structural changes may contribute to RRWP party success. In addition, scholars have stressed the causal role of the secular post-1960s deterioration of economic performance in RRWP party success. In fact, economic growth and unemployment rates (and sometimes inflation) have been highlighted in some of the quantitative analyses of the correlates of RRWP party success, and we control for macro economic performance here (e.g. Anderson, 1995; Jackman and Volpert, 1996; Knigge, 1998).

[15] We exclude Iceland and Luxembourg as well as the post-communist systems of Eastern Europe for a variety of theoretical and methodological reasons. We begin the analysis in the early 1980s because, with the exception of the Danish and Norwegian cases, RRWP parties had not won more than trivial shares of the vote before that time. In addition, an extension of the study back in time to the 1970s would have been problematic because of the absence of competitive elections in Greece, Portugal and Spain before the 1974–7 period and because of data unavailability on some key indicators. We end the analyses in 1998 also because of data constraints.

As to domestic political forces, we control for the electoral effects of proportional representation (PR).[16] These tests are important not only because PR and related electoral system factors may facilitate the electoral system entry of RRWP parties, but also because PR and associated features of consensus democracy may produce some policy convergence across parties and, in turn, electoral openings for RRWP parties.[17] In addition, as Inglehart (1990) and others have argued, the neoliberal, traditional conservative and xenophobic electoral appeals of RRWP parties may be evidence of a materialist reaction to dispersion of the values of environmental quality, civil and political rights, and multiculturalism and their promotion by new left parties within the most affluent nations. Individual country studies provide some support for this interpretation (e.g. Minkenberg, 1992; Lewis-Beck and Mitchell, 1993; Swyngedouw, 1994). Generally, we expect that increases in post-materialist values and new left party success will be related to subsequent rises in RRWP party vote shares.

Party system dynamics and strategic adaptations of extant parties, particularly those of the right, may contribute significantly to our understanding of RRWP party success. For instance, Kitschelt (1995) has argued that established parties of the right, to the extent that they have embraced centrist, consensus-orientated policies, have typically allowed RRWP parties to capture the terrain of neoliberal reform. Where parties of the right have articulated clear neoliberal reform agendas (e.g. the British Conservative Party), the electoral success of the new far right has been circumscribed. While we cannot hope to model the richness of party system dynamics in empirical models such as those developed here, we do suspect that, where established right parties have enjoyed high levels of electoral success in the recent past, RRWP parties may find the task of garnering votes more difficult than where established parties of the right are historically weak or in decline. Finally, the experiences of the early Scandinavian Progress parties and the radical neoliberal programmes of most contemporary RRWP parties suggest that the character of the state—especially its tax burdens—may directly influence the level of potential support for RRWP parties (e.g. Andersen and Bjørklund, 1994; Marcus, 1995). In fact, Harold Wilensky (1976) offered one of the earliest tests of a theory of RRWP

[16] It is important to note that we cannot examine certain hypotheses nor can we systematically account for a variety of country-specific factors in models such as those developed here. Although analysis of aggregate data across all of Western Europe during the 1980s and 1990s offers a powerful tool for assessing structural theories (especially when specified causal mechanisms are supported by individual-level evidence), we recognize the limits of this approach. For instance, we cannot directly incorporate tests for hypotheses stressing that dissatisfaction with established institutions or parties is associated with support for the new far right. In our framework, this and related factors are embedded in the mechanisms linking structural conditions with RRWP support.

[17] We thank Herbert Kitschelt for bringing this possibility to our attention.

support by examining the relationship between taxation and the ascent of the Scandinavian Progress parties.

On the basis of our theoretical framework and considerations discussed above, we offer the following empirical model of RRWP party vote (*RRWP*). Equation 1:

$$\begin{aligned} RRWP_e = {} & \alpha + \beta_0(RRWP_{e-1}) + \beta_1(TRADEOPEN) + \beta_2(CAPMOB) \\ & + \beta_3(FOREIGN) + \beta_4(WELSTATE) + \beta_5(MANUFACT) \\ & + \beta_6(GROWTH) + \beta_7(PROREP) + \beta_8(LEFTLIB) - \beta_9(RIGHT) \\ & + \beta_{10}(TAXATION) + \varepsilon \end{aligned}$$

where e denotes a national election year, α is the equation intercept, $RRWP_{e-1}$ through *TAXATION* are central explanatory variables as defined below, β_0–β_{10} are parameters relating $RRWP_{e-1}$ through *TAXATION* to *RRWP* and ε is an error term. We initially include the vote share of RRWP parties at the previous election ($RRWP_{e-1}$) as a corrective for serially correlated errors and, as Beck and Katz (1996) have suggested, as a means to explicitly illustrate model dynamics; lagged vote share also provides an indicator of the (in)stability in RRWP party support.

We operationalize economic internationalization in terms of merchandise trade openness (exports and imports of goods as percentage shares of GDP at time $t-1$), a summary measure of capital openness (i.e. an index of the absence of national restrictions on capital movements at $t-1$), and the inflows of asylum seekers and refugees [as proportions of the population ($\times 1000$) averaged over the preceding 3 years]. In supplemental analyses, we substitute alternatives for these measures (*TRADEOPEN, CAPMOB* and *FOREIGN*, respectively) and test for the electoral consequences of trade in goods with developing economies, flows of specific types of capital and net immigration. Finally, although these measures of internationalization will capture many of the effects of European economic integration, we also test for independent political effects of the deepening of the European Union (e.g. Maastricht Treaty). We report results of these supplemental tests below.

With regard to welfare state structures, we test for the direct effects of a general measure of the universal welfare state: a standard score index of universal coverage and benefit equality, the generosity of the social wage and resources devoted to active labour market policies (*WELSTATE*). After assessing direct linear effects, we examine the role of social protection in mediating the impact of trade, capital and immigration openness by adding interactions between international variables and *WELSTATE* to our models. Accordingly, we derive precise estimates of the role of the welfare state in mitigating the risks and insecurities associated with globalization across different national welfare state contexts.

As to our general model, we include the percentage of wage and salary workers in manufacturing (at $t-1$) as the principal measure of post-industrialization (*MANUFACT*). In addition, we include a basic measure of (lagged) economic growth (*GROWTH*) to assess the common proposition that post-1973 deterioration

of macro economic performance is a principal source of electoral support for the new far right. (We also estimated the electoral effects of general unemployment, long-term unemployment and inflation rates, and we report the results below.) With regard to domestic political factors, we use an ordinal indicator of the degree of proportionality in electoral rules to measure the character of the electoral system (*PROREP*). In the absence of data on the prevalence of post-materialist values for a significant portion of our national election years, we use the vote share of 'new left', or left-libertarian parties, at the previous election as a proxy for attendant value conflicts (*LEFTLIB*). A measure of the electoral strength (average vote share in preceding elections over the preceding 10 years) of established right parties (*RIGHT*) is used as the principal indicator of the focal party system factor discussed above.[18] In addition, given the aforementioned tax backlash literature, we incorporate a measure of total taxation as a share of GDP (*TAXATION*) in the general model.

3.1 Estimation

Our focal dependent variable, RRWP party vote, is a limited dependent variable in that it is 'censored' in roughly 50% of our cases (i.e. it takes on the value of 0.00, a lower limit). In such cases, ordinary least squares (OLS) estimation of a linear model would violate several assumptions of the method (e.g. a zero mean for the OLS errors) and would produce biased and inconsistent estimates of β_0–β_{10} in Equation 1. An attractive alternative to OLS is Tobit's maximum likelihood procedure.[19] The 'Tobit' model extends the familiar probit procedure for estimating a non-linear probability model of a dichotomous variable to the case of a censored dependent variable and produces consistent and unbiased estimates of β_0–β_{10} in Equation 1.[20]

We should also note that our analysis 'pools' 4–7 election years for each of 16 nations. While serial correlation will be minimal (in the presence of the lagged dependent variable) and, while the Tobit procedure will produce consistent estimates in panel models, estimates will be inefficient in the presence of unit effects

[18] In addition, 15- and 20-year annual averages of established right party support are employed as alternatives to the 10-year measure and produce nearly identical results.

[19] See Kmenta (1986, section 11–6) on problems of OLS in such cases and the Tobit alternative.

[20] Given that Y ($RRWP_e$) is hypothesized to be a function of the X_i ($RRWP_{e-1}$ through *TAXATION* in Equation 1), the Tobit model estimates the likelihood function as a composite of the cumulative distribution function (when $Y_i = 0.0$) and the density function (when $Y_i > 0.0$) of a standard normal variable, as given by Kmenta (1986, equation 11.133). In effect, normalized Tobit coefficients such as those reported below embody two sets of information. First, they represent the effect of a causal variable on the probability that the dependent variable takes on a non-zero value; secondly, they express the relationship between an independent variable and the dependent variable when the latter varies across non-zero values. See Greene (2000) and the literature cited therein.

or different intercepts for each of the 16 nations (Greene, 1998). A principal alternative consists of a Tobit 'fixed-effects' estimator (i.e. Tobit estimation including $N-1$ country dichotomous variables). However, evaluation of country effects in this fixed-effects model confirms that our present specifications fully account for divergent intercepts.[21] Finally, to assess robustness, we re-estimated our core equations with variations in sample composition; these alternative models are presented below.

4. Findings from the empirical analyses

The second column of Table 2 presents the findings from our estimation of the basic model. Trade openness and capital mobility are not directly associated with RRWP party votes in systematic linear relationships. However, the volume of refugees and asylum seekers is systematically and positively related to the vote share of RRWP parties. The effect of international immigration is relatively large. Recall that normalized Tobit coefficients may be divided by the standard error of the Tobit model, sigma (presented for all models in the equation statistics for Table 2), to obtain regression slope coefficients. Also recall that our standardization of refugees and asylum seekers is such that a one-unit increase in the variable is equivalent to an average rise of 0.1% of the population over the preceding 3 years. Thus, an increase of immigrants of this magnitude, which is a relatively large number equalled in some years in the 1990s, is associated with a rise of RRWP vote share equal to 1.5256 (or 0.5206/0.3412).[22]

In addition, the direct effect of welfare state structure is highly significant and substantively large. Specifically, net of the impacts of other political economic forces in our model, the universal welfare state—as measured by our index of coverage,

[21] For the fixed-effects models, nation dummies, when entered together, were all trivial in significance; our model captures cross-national variation well. However, when examining country dummies individually, we did observe that unit effects for France were consistently significant. Thus, we add a dichotomous variable to control for this country effect. Estimates of the effects of other independent variables do not change when this variable is included (or the set of French national elections excluded). In addition, we estimated our models with a variety of alternative procedures such as models without the lagged endogenous variable and with RRWP party vote operationalized in natural logs; we also examined a generalized heteroscedastic Tobit estimator developed by Greene (1998, 2000). Core results reported below for the electoral effects of internationalization, the welfare state and their interaction are consistently reproduced in all alternative estimations.

[22] Substitution of our alternative measures of dimensions of internationalization—trade with developing political economies, capital flows measures and net total immigration—produce findings identical to those for focal measures reported in Table 2. In addition, tests of the direct effect of European Union membership, post-Single Europe Act years and post-Maastricht Treaty years, as well as tests of the direct effect of membership and commitment to the Exchange Rate Mechanism, produced null findings.

Table 2 Globalization, the welfare state and the electoral success of radical right-wing populist parties, 1981–98

	Normalized Tobit coefficient (asymptotic standard error)			
	Baseline model	**Trade openness × social protection**	**Capital mobility × social protection**	**Foreign immigration × social protection**
Trade openness (merchandise trade$_{t-1}$)	−0.0040 (0.0062)	0.0021 (0.0066)	−0.0056 (0.0063)	−0.0056 (0.0063)
Capital mobility (liberalization$_{t-1}$)	0.1221 (0.3035)	0.3309 (0.3130)	0.3320 (0.3524)	0.0612 (0.3091)
Foreign immigration (asylum seekers$_{\text{mean }(t-1 \text{ to } t-3)}$)	0.5206** (0.1622)	0.4199** (0.1628)	0.5576** (0.1634)	0.6665** (0.1907)
Social welfare protection	−1.7633** (0.4566)	1.1102 (1.0693)	1.2536 (1.6203)	−1.5825** (0.4764)
Trade openness × social protection	—	−0.0641** (0.0216)	—	—
Capital mobility × social protection	—	—	−0.9508** (0.4910)	—
Foreigners × social protection	—	—	—	−0.1733* (0.1184)
General model				
De-industrialization (manufacturing jobs$_{t-1}$)	−0.0571 (0.0492)	−0.1159** (0.0546)	−0.0846* (0.0519)	−0.0690* (0.0501)
Economic growth rate$_{t-1}$	0.1481 (0.1055)	0.0927 (0.1026)	0.1420 (0.1036)	0.1259 (0.1193)
Proportional representation	0.5982* (0.4382)	0.7478** (0.4372)	0.9404** (0.4722)	0.5900* (0.4088)
Left libertarian party vote$_{e-1}$	0.1200** (0.0508)	0.1162** (0.0510)	0.1169** (0.0509)	0.0991** (0.0527)
Established right party vote—long-term share	−0.0117 (0.0156)	−0.0309** (0.0166)	−0.0180 (0.0165)	−0.0166 (0.0159)
Tax burdens$_{t-1}$	0.1757** (0.0489)	0.1995** (0.0482)	0.1882** (0.0516)	0.1839** (0.0500)
RRWP vote$_{e-1}$	0.2206** (0.0446)	0.1919** (0.0462)	0.2173** (0.0451)	0.2244** (0.0450)
Equation statistics				
Sigma	0.3412	0.3787	0.3583	0.3526
Intercept	−7.6857	−7.1044	−8.6230	−7.3152
Log-likelihood function	−115.3536	−110.6393	−113.2915	−114.2830
Pseudo R^2	0.8351	0.8715	0.8509	0.8474
N national elections	83	83	83	83

Pseudo R^2, squared correlation coefficient between observed and predicted values.
* Significant at the 0.10 level; ** significant at the 0.05 level.

generosity and active labour market programmes, significantly depresses the vote of the new far right. In more concrete terms, an increase of +1.00 on our standard score index of universalism [e.g. the difference between Italy (−0.54) and Finland (0.45) in the early 1990s] is associated with a reduction of roughly five percentage points in the vote share for RRWP parties (i.e. −5.1675 = −1.7633/0.3412).

With regard to the other factors of our general model, the results of the second column of Table 2 offer new tests of several widely discussed hypotheses about the correlates of RRWP party electoral success. Manufacturing employment falls just below conventional significance levels in our baseline model of column 2. However, in subsequent models, trends in manufacturing jobs are negatively associated with RRWP vote share: as de-industrialization occurred, RRWP electoral success increased. (We will return to this finding below.) On the other hand, slower economic growth (or higher general and long-term unemployment and inflation rates) is not significantly associated with RRWP party electoral success in the baseline and subsequent models.

The results reported in Table 2 indicate that domestic political forces are important. PR, past electoral success of left-libertarian parties and average effective tax burdens are all significantly associated with greater electoral support for the new far right. The electoral success of established right parties in recent elections, a proxy for successful programmatic and ideological positioning, however, is not significant in our baseline model. (Some support for the role of established right parties is, in fact, generated in subsequent tests.) Finally, the coefficient for past levels of RRWP party votes is highly significant in our basic (and subsequent) models. After converting to a conventional regression format (as discussed above), the regression coefficients for past vote levels are consistently close to 0.65. In other words, 65% of the current vote for RRWP parties is predicted by the past vote, indicating moderate stability in RRWP party support.

We analyse the role of welfare state structure in shaping the impact of internationalization on RRWP party support through interaction analysis.[23] We present our results in the third, fourth and fifth columns of Table 2. These findings shed significant light on the relationships between internationalization, the welfare state and RRWP party support. As the second column of Table 2 indicates, there is a significant and negative interaction between trade openness and the system of

[23] To review the mechanism of interactions, the interaction of, let's say, X_1 (e.g. universalism) and X_2 (e.g. trade), when the explanandum is Y (e.g. RRWP party support), will tell us whether the effect of X_2 on Y varies with levels of X_1, or vice versa. The significance test for the interaction simply tells us whether differences in the effect of X_2 on Y at different levels of X_1 are significantly different from zero. The interaction term itself, when multiplied by a value of X_1 and added to the regression coefficient of X_2, becomes the slope for the effect of X_2 at that level of X_1. Moreover, standard errors necessary for testing the significance of the effects of X_2 at some level of X_1 are easily derived (Friedrich, 1982).

social protection: this finding suggests that as the welfare state becomes more universal, any positive association between trade openness and RRWP electoral support present at lower levels of universalism diminishes or becomes negative (and see below for precise estimates).[24] Similar results are reported for other dimensions of internationalization in the fourth and fifth columns: we find significant, negative interactions between both capital mobility and foreign immigration on the one hand and welfare state structure on the other.

To highlight the concrete meaning of these findings, we may derive precise estimates of the electoral impacts of changes in trade openness, capital mobility and foreign immigration across specific welfare state contexts; these estimates are reported in Table 3. We use the mathematics of interactions to compute for low and high levels of universalism the change in vote share for RRWP parties that is associated with (a) an increase in merchandise trade openness equivalent to 10% of GDP, (b) an increase in capital mobility equal to 1.00 on our index of the removal of restrictions on capital and (c) annual average immigration equal to 0.1% of population. Trade and capital mobility scores approximate the mean levels for Western Europe during the focal period; the magnitude of immigration that we utilize approximates average country scores for some years in the 1990s. Low and high universalism reflects 1980s and 1990s average scores for typical corporatist conservative (i.e. Austria and Italy) and universalist (i.e. The Netherlands and Norway) welfare states. For each relationship (cell), Table 3 reports the precise vote percentage change (pursuant to trade, capital mobility or immigration change) and the normalized Tobit coefficient and asymptotic standard error used to compute it. (Tobit coefficients are transformed to the regression framework to compute the actual vote change associated with internationalization.)

Focusing on the electoral impact of trade across levels of universalism, an increase in merchandise trade equivalent to 10% of GDP is associated, net of the factors in the general model, with an increase of 1.74% in the vote share for the new far right at low levels of universalism. At high levels of universalism, where we expect the properties of the welfare state to lessen economic insecurities and fears

[24] Recall that the direct effects of the welfare state and trade variables in the presence of the interaction between them do not have conventional interpretations. The coefficient for the welfare state variable, for instance, becomes the intercept in the equation that relates trade to RRWP party votes at various levels of welfare state universalism. It is also important to note that, with respect to the individual effects of components of the welfare state index, the degree of universal coverage, the social wage and active labour market policy are significantly (and negatively) related to RRWP party votes in most specifications our models. With regard to the mediation of the effects of the international variables by the three individual dimensions of the welfare state, interactions for at least two and sometimes three of the international variables are significant and negative for each of the components of welfare state universalism. In addition, substitution of alternative measures of trade, capital mobility and immigration (see above) produce similar although, in most cases, much weaker and less robust findings.

Table 3 Internationalization, the welfare state and RRWP party support: effects of international factors at low and high levels of social welfare protection

	In polities with low social protection			In polities with high social protection		
The impact on RRPP vote of:	**Regression coefficient***	**Tobit coefficient**	**Asymptotic standard error**	**Regression coefficient***	**Tobit coefficient**	**Asymptotic standard error**
Increases in merchandise trade openness (+10% of GDP)	1.7490**	0.0612	0.0229	−0.9570**	−0.0362	0.0126
Increases in capital mobility (+1.00 on index of removal of restrictions on capital flows)	3.3758**	1.2095	0.6747	−0.6625	−0.2376	0.3593
Increases in foreign immigration (asylum seekers as +0.1% of population)	2.3438**	0.8264	0.2651	1.5960**	0.5627	0.1648

* Tobit coefficients converted to ordinary least squares.

and discourage some voters from supporting RRWP parties, a comparable increase in trade openness is actually associated with a small decline (0.94%) in vote share.[25] With respect to capital mobility, our estimates suggest that average 1980s and 1990s increases in liberalization lead to a rise in the vote share of the new far right of about 3.4% in political economies with low universalism; in the case of universalistic welfare states, liberalization has no effect on RRWP party vote shares. Finally, foreign immigration makes a positive impact on RRWP party votes at both low and high universalism. However, the difference between the two types of welfare state for this effect is significant: at low universalism, the contribution to the vote share (of a 0.1%-of-population rise in immigrants) is 2.34; at high universalism, the increase in RRWP party vote associated with immigration is 1.60.[26]

4.1 Robustness of results

In models such as those estimated here, the impact of sample composition is an important consideration. Our core findings might be influenced by inclusion of seven nations without RRWP parties. The relatively low levels of economic development for much of the focal period, recent democratization, and the absence of RRWP parties may make inclusion of the Mediterranean political economies a source of bias. So, too, might the inclusion of some of the corporatist conservative cases with extremely successful RRWP parties or of the Nordic nations with their highly universalist welfare states. To address these concerns (effectively common

[25] A plausible explanation for the negative effect of trade at high universalism exists. That is, in largely small open economies typified by universalism, it may well be the case that the welfare state mitigates worker insecurities and fears as economic gains of trade materialize. The cumulative result of increases in trade in universal welfare states may be support for trade openness (i.e. support for a highly profitable export sector) and at least some rejection of protectionist and anti-statist appeals.

[26] Two additional items merit note. First, welfare state structure also shapes the impact of manufacturing decline on vote shares of RRWP parties. The negative effect of manufacturing employment is not significant at high universalism. Secondly, our analysis of the interaction between foreign immigrants and universalistic welfare states can address the proposition suggested by Kitschelt (1995) and others that the combination of large numbers of foreign immigrants and systems of comprehensive welfare provision may lead to 'welfare chauvinism' on the part of some voters who fear that foreigners are depleting the welfare state and contributing to fiscal stringency. This dynamic may enhance the fortunes of parties who articulate strong anti-foreigner/anti-immigration themes. Our results indicate, however, that a simple version of this proposition is incorrect: less universalistic welfare states, when combined with substantial immigration, will experience greater rises in support for RRWP parties than more universalistic ones. On the other hand, our analysis does indicate that, at a relatively substantial level of integration, a substantial cut in coverage, the social wage and labour market programmes (e.g. cuts of the magnitude of those experienced in the UK during the Thatcher–Major years) will increase RRWP support.

Table 4 Globalization, the welfare state and the right-wing populist parties: alternative samples

	Tobit coefficient (asymptotic standard error)			
	Countries with far-right parties	**Mediterranean nations excluded**	**'Conservative' polities excluded**	**'Universalist' systems excluded**
Trade openness (merchandise trade$_{t-1}$)	0.0049 (0.0072)	0.0010 (0.0070)	−0.0032 (0.01320)	0.0004 (0.0107)
Capital mobility (liberalization$_{t-1}$)	0.4368 (0.3982)	0.2282 (0.3303)	0.2834 (0.3898)	1.2951** (0.7601)
Foreign immigration (asylum seekers$_{\text{mean }(t-1 \text{ to } t-3)}$)	0.4186** (0.1902)	0.3954** (0.1692)	0.7102** (0.2753)	0.2649 (0.2396)
Social welfare protection	1.4500 (1.4390)	1.0954 (1.1486)	−0.4468 (0.2016)	3.0576* (1.7716)
Trade openness × social protection	−0.0860** (0.0296)	−0.0629** (0.0224)	−0.0690** (0.0310)	−0.0966** (0.0346)
Capital mobility × social protection†	−0.7097* (0.5236)	−0.8568** (0.5014)	−0.5342 (0.5598)	−2.9709** (1.0044)
Foreign immigration × social protection†	−0.2159** (0.1278)	−0.1652* (0.1185)	−0.1814 (0.2031)	−0.7811** (0.4823)
General model				
De-industrialization (manufacturing jobs$_{t-1}$)	−0.2371** (0.0672)	−0.1272** (0.0571)	−0.1640** (0.0898)	−0.0187 (0.0801)
Economic growth rate$_{t-1}$	0.2704* (0.1464)	0.0710 (0.1050)	0.2507 (0.1839)	0.1194 (0.1500)
Proportional representation	2.2660** (1.1848)	0.8189** (0.4512)	0.9952* (0.7028)	0.5810 (0.5322)

Left libertarian party vote$_{e-1}$	0.0174 (0.0617)	0.1058** (0.0820)	0.0046 (0.0820)	0.2474** (0.0896)
Established right party vote—long-term share	−0.0049 (0.0238)	−0.0285* (0.0177)	−0.0845** (0.0367)	−0.0632** (0.0266)
Tax burdens$_{t-1}$	0.2453** (0.0604)	0.1833** (0.0529)	0.3491** (0.1037)	0.2608** (0.0795)
RRWP vote$_{e-1}$	0.1995* (0.0567)	0.1940** (0.0462)	0.3017** (0.0870)	0.2078** (0.0726)
Equation statistics				
Sigma	0.4289	0.3768	0.3955	0.4714
Intercept	−9.4027	−5.9910	−10.4720	−14.3740
Log-likelihood function	−95.4016	−109.8560	−64.8906	−62.8176
Pseudo R^2	0.8534	0.8592	0.7956	0.9368
N national elections	83	83	83	83

Pseudo R^2, squared correlation coefficient between observed and predicted values.
Alternative sample exclusions. Column 1: Finland, Ireland, Netherlands, Greece, Portugal, Spain and the UK. Column 2: Greece, Portugal and Spain. Column 3: Austria, France, Germany and Italy. Column 4: Denmark, Finland, Norway and Sweden.
† The effects of the interactions of capital mobility and foreign population with the welfare state are estimated in separate equations.
* Significant at the 0.10 level; ** Significant at the 0.05 level.

problems connected to outliers and variable distributions), we estimate our models with four notably different sub-samples of national election years: a nine-nation sample of only those nations with RRWP parties; a 13-nation sample that excludes the Mediterranean countries; an eight-nation sample that excludes the most universal welfare states (i.e. the Nordic countries); and an eight-nation sample that excludes the 'corporatist conservative' welfare states (i.e. the Germanic countries, France and Italy). Re-estimations with these smaller samples provide rigorous tests for our model's sensitivity to a variety of features of our data.

As Table 4 indicates, however, the core findings that the electoral effects of trade, capital mobility and immigration are mediated by the system of social protection are reproduced for at least three of the four sub-samples of nations. Only in the case of our sub-sample that excludes the conservative welfare states do any of the globalization–welfare state interactions fall below conventional levels of significance. In this sub-sample re-estimation, test statistics for interactions between capital mobility and foreign immigration on the one hand and the welfare state on the other fall to roughly −1.00. However, it is important to note that exclusion of these cases (Austria, France, Germany and Italy) removes a substantial number of national election years with significant RRWP party support: a moderately weaker pattern of findings in this instance should not lead us to substantially discount our central conclusions.[27]

In addition, these sub-sample re-estimations also support the core findings for other political economic determinants of RRWP party vote shares. In at least three of the four distinct sub-samples, de-industrialization, proportional representation, tax burdens and established right party strength are significantly associated with RRWP party support. Only recent electoral support of left-libertarian parties loses significance in two of the four models. Generally, our central findings concerning internationalization, the welfare state and domestic political economic forces hold up surprisingly well in the face of substantial alterations in sample composition.

5. Conclusions

The preceding analysis has supported the view that globalization has significant domestic political effects, but that these domestic consequences of international integration are themselves shaped by national political institutions. Specifically, our findings support the argument that international integration, or the notable increases in transnational flows of trade, capital and people in recent decades, has contributed to the electoral success of new far-right parties in Western Europe.

[27] As we noted above, re-estimation with different model specifications (e.g. no lagged dependent variable) and with different estimators also establishes the robustness of our findings.

The magnitude and nature of globalization's effects, however, are significantly shaped by national welfare state structures. Our analyses indicate that the volume of foreign immigration bolsters the vote for RRWP parties everywhere, although this positive effect is weakest in universal welfare states. On the other hand, increases in trade and capital mobility do not have a common direct effect on the votes shares of the new far right. Where national systems of social protection are comprehensive, generous and employment-orientated, rises in trade openness and capital mobility do not contribute to support for RRWP parties; where welfare programmatic structure is occupationally based or liberal in character, increases in trans-national market flows are associated with moderate shifts in support to the new far right. At comparable levels of taxation and political economic structure, universalistic, generous and employment-orientated welfare states directly depress RRWP party political support.

Our findings also offer new evidence from the whole of Western Europe in the 1980s and 1990s on a number of widely debated political economic explanations of RRWP electoral support. First, we find that aspects of post-industrialization, or the decline of manufacturing employment, are in fact systematically associated with increases in the electoral fortunes of RRWP parties; this effect on RRWP party success is also mitigated in universal welfare states. On the other hand, and consistent with the weak or sporadic support in previous country and comparative analyses, we find little empirical evidence that general economic performance—economic growth rates (or general or long-term unemployment and inflation rates)—independently affects the electoral fortunes of RRWP parties. With regard to domestic politics, we find evidence that, all things being equal, RRWP parties fare better under PR than majoritarian electoral systems. Also, the rise of post-materialist values, as manifested in the political success of left-libertarian parties, also exhibits an independent, systematic relationship with subsequent RRWP party votes (although this finding proved less robust than those for other domestic political factors). Consistent with tax backlash origins of some of these parties and their neoliberal character, the level of taxation is positively associated with the electoral success of the new far right. The presence of electorally successful established right parties works to lessen RRWP party support: more votes for the established right in recent elections, which probably reflects successful ideological and programmatic positioning, depresses the current vote for new far-right parties.

Finally, it is important to note that our results tend to reinforce recent policy recommendations by a number of political economists concerning reforms to enhance the well-being of social groups affected by globalization and, more generally, to promote economic and political stability in the face of international economic integration. Specifically, Wood (1995), Feenstra (1998) and other academic economists have noted that more developed labour market policies (e.g. increased employment subsidies) and social supports may be merited to offset the absolute

and relative costs of internationalization to workers. Other scholars such as Rodrik (1997) and Garrett (1998) have more explicitly highlighted the compensation function of generous and comprehensive systems of social protection in the contemporary world of globalizing markets and, in turn, the potential dangers for economic and political stability posed by significant retrenchment of social protection. Moreover, Scheve and Slaughter's (2001) findings that citizens tend to weigh adverse labour market impacts of globalization heavily, and tend to be more supportive of liberalization when adequate compensation of affected groups is in place, complement our own results and their implications for social insurance and active labour market programmes. Indeed, our findings—that universalistic social insurance against market risks coupled with active employment policy may partially dilute the political appeal of the far right—underscores the concerns of these and other authors and are consistent with the aforementioned policy reforms.

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Appendix 1: variable descriptions and data sources for empirical analyses

Electoral data (components of variables used in analyses)

Right votes	Established right party votes as a percentage of total votes. Source (for votes): Mackie and Rose (1974; selected years). Sources: Mackie and Rose, *International Almanac of Electoral History* (1990); 'Political Data Handbooks', updates in *European Journal of Political Research* (selected years). (For categorization of established right parties, see Appendix 2.)
RRWP votes	Percentage of national vote for right-wing populist parties in elections to lower chamber. Source: as votes above. (For list by country, see Table 1 above.)
Left-libertarian votes	Percentage of national vote for left-libertarian parties. Source: as above. (For list by country, see Appendix 2.)
Mean right votes	Annual average for mainstream right party votes (percentage of total) for preceding 10-year period. Source: as above.

Economic and social structural change data (components of variables used in analyses)

Post-industrial occupations	Percentage of wage and salary workers in business services, finance, real estate, professional services; community, social and personal services. *Source*: Organization for Economic Cooperation and Development, *Labour Force Statistics* (Paris, OECD, selected years).
Manufacturing employment	Percentage of wage and salary workers in manufacturing. *Source*: as above.
Unemployment	Percentage of the civilian labour force unemployed. *Source*: OECD, *Labor Force Statistics* (various years).

Structural unemployment	Percentage of the civilian labour force unemployed for 12 months or more. *Source*: as above.
Population	Population (thousands). *Source*: as above.
GDP/growth	Gross domestic product in millions of national currency units (Japan and Italy in billions). Average percentage GDP growth computed after standardization with GDP deflator and by population. *Source* for GDP and deflator: OECD, *National Accounts*.
Imports	Imports of goods and services in national currency units. *Source*: OECD, *National Accounts*.
Exports	Exports of goods and services in national currency units. *Source*: as above.
Imports—goods	Total and disaggregated (e.g. developing countries) merchandise imports are from the International Monetary Fund (IMF), *Direction of Trade*.
Exports—goods	Total and disaggregated (e.g. developing countries) merchandise exports are from the IMF, *Direction of Trade*.
Trade volatility	Terms of Trade data are from the IMF, *International Financial Statistics* (Washington, DC, IMF, selected years).
Financial lib	Index of restrictions on aggregate financial flows—exchange, payments, capital. *Source*: Dennis Quinn, unpublished data from NSF project on capital controls.
Capital lib	Index of restrictions on aggregate capital flows. *Source*: Dennis Quinn, unpublished data from NSF project on capital controls.
Capital open	Total inflows and outflows of capital, where capital is defined as direct foreign investment, portfolio capital and short- and long-term bank lending. *Source*: IMF, *Balance of Payments Statistics*.
Asylum	Number (thousands) of asylum seekers for year. *Source*: OECD, *SOPIME: Continuous Reporting on Migration*; US Committee on Refugees, *World Refugee Survey*.
Netmig	Net migration standardized by national population. *Source*: OECD, *Labour Market Statistics* (various years).
Invest in	Direct investment inflows. *Source*: OECD, *Direct Investment in OECD Countries*; IMF, *Balance of Payments Yearbook*.
Invest out	Direct investment outflows. *Source*: as above.

Public sector data (components of variables used in analyses)

Taxation	Total taxes as a percentage of GDP. *Source*: OECD, *Revenue Statistics of OECD Countries* (Paris, OECD, various years).

Universalism	Index of degree of universal population coverage and benefit equality for pensions, sickness and unemployment. *Source*: Esping-Andersen (1990).
Social wage	Income replacement for average production worker in first year of unemployment. *Source*: OECD, *Unemployment Benefits Data Base* (Paris, OECD, unpublished electronic data base).
ALMP	Spending on Active Labour Market Programmes. OECD, *Social Expenditure Data Base, 1980–1998* (Paris, OECD, 1999).

Appendix 2: party classification sources

Principal established right/Conservative parties

(1) Castles, F. and Mair, P. (1984) 'Left–Right Political Scales: Some "Expert" Judgments', *European Journal of Political Research*, **12**, 73–88.
(2) *Political Handbook of the World* (selected years) New York, NY, Simon and Schuster.
(3) Country-specific sources. Austria: People's Party; Belgium: Liberals, People's Union (Volksunie); Denmark: Venstre (Agrarian Liberals), Conservatives; Finland: Christian League (Christian Dem), National Coalition; France: Union for French Democracy, Rally for the Republic (miscellaneous smaller and preceding parties); Germany: Christian Democratic/Christian Social Union; Greece: New Democracy, miscellaneous smaller parties; Ireland: Fianna Fáil, Fine Gail; Italy: Italian Social Movement, Monarchists; The Netherlands: Liberals, Anti-Revolutionary, Christian Historical Union; Norway: Conservatives; Portugal: Social Democratic Centre—Popular Party, Christian Democrats, Popular Monarchist Party; Spain: Democratic and Social Centre (CDS)/Union of Centre Democrats (UCD), Popular Alliance, Popular Party, miscellaneous smaller parties; Sweden: Conservatives/Moderates; Switzerland: Christian Democrats; UK: Conservatives.

Principal left-libertarian parties

(1) Kitschelt (1988, 1994).
(2) Country-specific sources. Austria: United Greens, Green Alternative; Belgium: Ecologists, Live Differently (Agalev); Denmark: Socialist People's Party, Green Party; Finland: Green League, Ecology Party; France: Greens, Ecologists; Germany: Greens (Alliance 90/Greens), Ecologists, Greece: Ecologists, Alternative Green Lists; Ireland: Greens; Italy: Greens, Radical Party; The Netherlands: Green Progressive Accord/Green Left (Pacifist Socialists, Radical, Communist Parties), The Greens; Norway: Socialist People's/Left Party, Greens, People's List for Environment and Solidarity; Portugal: Greens (Os Verdes); Spain: Greens; Sweden: Greens; Switzerland: Progressives, Greens, Alternative Greens; UK: Ecology/Green Party.