Globalization and its Political Consequences: The Effects on Party Politics in the West

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Abstract

Globalization has grown much since 1980s. What political trends have been associated with this growth? This paper examines two aspects of the political consequences of globalization. Economic globalization, according to some economic theories, has adverse consequences for labor, especially less skilled labor, in the rich democracies. If these voters are the median, then we might expect parties to respond to this by turning against globalization and the openness to flows of goods, services, people and capital that it brings. Have parties turned against economic openness? And have parties, especially extreme right-wing ones, that oppose openness advanced in terms of their electoral strength as a result? Furthermore, have these pressures from globalization been mitigated by social welfare policies, as earlier research claimed? First, updating and extending the research of Burgoon (2009), I ask whether political parties in the advanced industrial countries have adopted more anti-internationalist platforms as globalization has advanced. Second, I examine whether parties have been affected deferentially by globalization; in particular, have extreme, right-wing populist parties gained vote share as globalization has proceeded, while mainstream left ones have lost. The evidence suggests that globalization, especially trade, is associated with a political turn to anti-internationalism and to extremist parties.

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1 Introduction

Globalization has grown much since 1980s. What trends in politics have been associated with this growth? This paper examines two aspects of the political consequences of globalization, involving the party systems in established democracies. Over the years concerns about the compatibility of democracy and capitalism have continuously been raised. But with a global capitalist market now in place these concerns have been magnified. In a globalized world will democracies be able to respond to their publics so that their citizens remain supportive of democracy itself? Or, will globalization affect publics and party systems in such ways that majorities of the public and their political parties turn against not just incumbent governments and globalization but against democratic governance itself?

Economic globalization, according to some economic theories, is likely to have adverse consequences for labor, especially less skilled labor, in the rich democracies. If these voters are the median, then we might expect political parties to respond to this by turning against globalization and the openness to flows of goods, services, people and capital that it brings. Have parties turned against economic openness? And have parties that oppose openness advanced in terms of their electoral strength as a result? Earlier research showed that certain conditions could mitigate the effects of globalization. This research looked at the role of left parties and labor organizations and the size of the welfare state. Strong left parties and labor organization as well as a large welfare state were shown to dampen political reactions against globalization (Garrett 1995, 1998, Garrett and Mitchell 2001).[1] Do these factors still exert such influences?

I examine two issues here. First, updating and extending the research of Burgoon (2009), I ask whether political parties in the advanced industrial countries have adopted more anti-internationalist and more nationalist and populist platforms as globalization has advanced. He showed that globalization as associated with more anti-internationalism but that social welfare spending could mitigate this tendency.

Second, I ask whether certain types of parties, especially extremist ones, have gained vote share as globalization has proceeded. I also examine whether centrist left parties, whose base of support is the industrial working class, have lost vote share as globalization has advanced. Globalization could have direct or indirect effects on politics. I explore both here, focusing on how it may operate indirectly through deindustrialization. First, I show that deindustrialization is directly driven in part

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[1] In Milner (2018), I explore Garrett's claims about left-labor strength and the welfare state with a very open economy.

by globalization. Then I try to unpack the direct and indirect relationship between globalization and party vote shares using mediation analysis. In future work I hope to look directly at voters' preferences and see if rising globalization is associated with changes in their views.

The evidence here is cross-national. Recent research by economists and increasingly by political scientists has become more micro in orientation. In part this is because of a frustration with poor cross-national data and in part with concerns over causal inference in large-N cross-national studies. These are both valid points. Given the highly regional implications of globalization, aggregate cross-national studies may be very imprecise. But they still do present a picture of the broad correlations and trends common to many countries. And replicating important prior research seems worthwhile in order to understand how these broad patterns may have changed over time.

The evidence here suggests that globalization is having direct effects on party platforms and that social welfare may not mitigate these effects as much any more. Trade and FDI are both generating pressure for parties to adopt more anti-globalization platforms. And the extent of social welfare spending in a country is not mitigating this much any more. Second, globalization is indirectly exerting an impact on party vote shares. It is increasing support for extreme right-wing populist ones and decreasing support for center left ones. This indirect effect is coming through its impact on deindustrialization, which has affected all the major established democracies lately. Globalization in these ways seems to be having a major impact on politics within developed democracies and to be generating a reaction against itself.

The causal pathway(s) by which globalization may work to affect politics need greater attention. I hope to investigate more in future work whether these effects come through globalization via rising inequality (see Bourguignon 2015), through the effect of globalization on reduced job opportunities and stagnant wages, through international financial liberalization and integration that facilitated crises, or through globalization's acceleration of technological change. Initial analyses here, however, suggest that deindustrialization, or the relative decline of jobs in manufacturing, seems to be strongly associated with rising extreme right-wing party votes. In future iterations I hope to examine these other forces in greater depth, especially to see if they are related to globalization as deindustrialization appears to be.

2 Main Questions and Theory

Since the 1970s, globalization — the cross-border movements of capital, goods, and people — has expanded significantly. There have been immense welfare gains from this growth, especially from

trade, in both the developing and developed world. These gains have not been evenly distributed, either within or across countries. Some economic theories — the Stolper-Samuelson theorem, in particular — predict adverse distributional consequences for labor, especially less skilled labor, in rich democracies.[2] As Gordon (2017, p. 633) points out, "Globalization is working as in the classic economic theory of factor price equalization, raising wages in developing countries and slowing their growth in the advanced nations." If these voters are the median in these countries, do political parties respond by turning against globalization and openness to cross-national flows of goods, services, people, and capital? If the means for compensating them no longer work, then do these voters turn against openness and to populism?[3]

The questions addressed here are four. One, does globalization lead parties to adopt more anti-internationalist and populist positions? Two, does globalization lead directly to more votes for extremist parties, especially on the right? Three, does globalization indirectly affect politics through other means? While there are many potential such mediators, here I focus on deindustrialization. Four, can the traditional mechanisms posited in the literature, such as the social welfare state and welfare spending, still compensate for the effects of globalization and moderate pressures for populism and anti-internationalism?

This strand of research goes back to Polanyi (1957). He argued in *The Great Transformation* that the growth of the capitalist market, including its opening to the global economy (especially the Gold Standard) had led to the decline of democracy, rise of fascism, and war in the inter-war period. He claimed that if the market was not regulated and embedded within society, it would disrupt people's lives so much they would turn against democracy and fall prey to extremism. Recently, Rodrik in *The Globalization Paradox* has argued that democracy, national sovereignty, and extensive globalization are not compatible; he stresses that preserving national diversity and democracy may make sacrificing globalization an appealing alternative. After World War II, Ruggie (1982) noted that the industrial countries adopted an "Embedded Liberalism" approach, combining the welfare

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[2]Evidence for this effect is widespread: stagnant wages for lower skilled workers for many years, rising inequality within OECD countries, declining labor vs capital share of national income. For example, Baccaro and Pontusson (2016, p. 184) note that "the extent to which the wage share [in national income] has declined since 1980 varies across countries, but the broad OECD-wide pattern is quite striking. The shift in income from labor to capital in the past thirty years would appear to be at least as pervasive and dramatic as the OECD-wide increase of household income inequality since 1990."

[3]Globalization seems to be making global markets more synchronized and more correlated with one another. "'Business cycles across different markets are more correlated than they have ever been,' said Mr. Saroliya, of Oxford Economics. 'It's the global supply chain.'" as quoted in Goodman, Peter S. 2018. "The Era of Easy Money Is Ending, and the World Is Bracing for Shocks" *New York Times* 6 February. Available from https://www.nytimes.com/2018/02/06/business/stocks-bonds-markets-central-banks.html. Globalization may also be making politics among the advanced industrial countries more correlated with each other. Populism may spread more easily in such a globalized world.

state with gradual economic opening and deregulation. The welfare state was seen as necessary to compensate citizens for losses from globalization. Empirical research also confirmed that larger state intervention in the economy tended to go hand-in-hand with economic openness. More open countries were found to have larger government sectors (Cameron 1978, Katzenstein 1985, Rodrik 1998). But as globalization accelerated in the 1990s, scholars debated whether the welfare state could grow and even continue in a very globalized world. Two prominent scholars argued that it could but for different reasons (Garrett 1995, 1998, Garrett and Mitchell 2001). In a series of papers and books, Garrett argued that strong left party government combined with strong labor unions and labor organization would enable countries to avoid the pressures of globalization and maintain large welfare states. Burgoon (2001, 2009) in a series of articles saw the welfare state as acting as a brake on extremism in party politics under conditions of globalization. Garrett's view is in line with Polanyi's original argument that strong labor organization and social democratic parties would be the only way to preserve democracy in a global capitalist economy.[4]

Since the 1990s, scholars of party politics mainly in Europe have noted the rise of extremist parties and especially of populist ones (see Betz 1994, Kitschelt 1996, Kriesi 2010, Mayer 2013, Mudde 2007).[5] Inglehart and Norris (2016) note that populist parties have entered into government coalitions in 11 Western democracies recently, have grown their average vote share in national and European elections from 5% to 13%, and have seen their average seat share rise from 4% to 13%. There is, however, much debate over what is causing the rise of the far right parties and populism. But first though, we should define populism, which also remains a bit vague and contested. Mudde (2007) says that a main defining characteristic of populism is nativism, which combines nationalism and xenophobia. But populism also adds authoritarianism, combined with a strong sense of "the people" against the elite. "Nativism feeds upon the feeling of endangered or threatened ethnic or national identity, linked most likely to the process of European integration, mass immigration, and the mechanism of multiculturalism" (Mudde 2007, p. 297). Much of this, he maintains, is driven by discontent and resentment linked to modernization and globalization. Müller (2016) in his book on populism stresses that populism contains anti-elite, anti-pluralist, anti-openness, and anti-liberal sentiments that elevate "the people" who are seen as one unified national community against the distrusted, cosmopolitan elites. He emphasizes more the anti-elite and anti-democratic side of

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[4]Note that those voting for the radical right in France are from the less skilled workforce who face import competition and technological change most strongly. As Mayer (2013, p. 171) points out: "Marine Le Pen attracts even more working class voters than her father: the first hit by the economic post 2008 crisis, the most exposed to unemployment and precariousness, and the most discontented with Sarkozy's policies. They gave her a record score of 33 percent. But she has not as yet managed to extend her influence to middle and upper class voters."

[5]See the review by Golder (2016).

populism, while Mudde (2007) focuses much on the nationalist, anti-internationalist component; however, both seem to agree on many elements of the populist character.

Two interesting strands of the research on party politics in Western Europe note the connection between changes in party systems and globalization. Kriesi et al. (2006) and Kriesi (2010, 2014) in various papers argues that populism arises in part from a new cleavage. As Kriesi et al. (2006, p. 922) write, "the processes of increasing economic (sectoral and international) competition, of increasing cultural competition (which is, among other things, linked to massive immigration of ethnic groups who are rather distinct from the European populations) and of increasing political competition (between nation-states and supra-or international political actors) create new groups of 'winners' and 'losers'." Globalization has created a new cleavage in European politics; globalization's winners and losers now define that cleavage.[6] Kriesi et al. (2006, p. 922) further note the different preferences of the two groups: "losers of the globalization process to seek to protect themselves through protectionist measures and through an emphasis on the maintenance of national boundaries and independence. Winners, by contrast, who benefit from the increased competition, support the opening up of the national boundaries and the process of international integration. We shall refer to the antagonism between winners and losers of globalization as a conflict between integration and demarcation." He claims that parties have begun competing to capture these voters and aligning across this new cleavage.[7] Indeed, the changes in European party systems over the past few decades are attributed largely to this new cleavage around globalization.[8] Moreover, he views these losers as potentially very powerful politically; they do not have exit options and thus must stay and fight.[9]

He views the economic and cultural cleavage that comes with it as inseparable. The main cultural elements of the losers are defense of the nation and nationalism, defense of traditional values, opposition to the EU and other international organizations, and deep opposition to immigration.

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[6] "...new right-populist parties which, for more than 20 years now have spearheaded the nationalist reaction to economic (neoliberal reform of the economy including delocalisation, liberalisation of financial markets, and privatisation), cultural (immigration), and political (European integration, internationalisation of politics) processes of denationalisation do not simply articulate a populist challenge to the mainstream parties which habitually govern. Instead, they articulate a new structural conflict that opposes globalisation 'losers' to globalisation 'winners'." Kriesi (2014, p. 369)

[7] Kriesi (2014, p. 369) "a new structural conflict that opposes globalisation 'losers' to globalisation 'winners'. In several countries, the success of these new populist challengers has given rise to the transformation of established parties which start to compete for the mobilisation of the demands of the 'losers'. Some of these new challengers or transformed established parties have taken up government responsibilities."

[8] Kriesi et al. (2006, p. 929) "those parties that most successfully appeal to the interests and fears of the 'losers' of globalization to be the driving force of the current transformation of the Western European party systems. In most countries, it is these parties of the populist right (Decker 2004) who have been able to "formulate a highly attractive ideological package for the 'losers' of economic transformations and cultural diversity."

[9] Kriesi et al. (2006, p. 929) "Moreover, the mobilization of the 'losers' is particularly consequential because, in contrast to the 'winners', the 'losers' typically do not have individual exit options at their disposal. To improve their situation, they depend on collective mobilization."

Thus the losers become ripe for the populist movement, some on the right and some on the left.[10] The winners from globalization will gravitate toward and be attracted by mainstream centrist parties.[11] He (2006, p. 950), however, claims that the cultural dimension is becoming increasingly important: "as the positions of parties usually vary as strongly with respect to the cultural issues as with respect to the economic ones. Both dimensions are polarizing. Furthermore, the cultural dimension has been gaining in importance as it has become the primary basis on which new parties or transformed established parties seek to mobilize their electorate."

In another branch of the literature, scholars have argued that transnationalism has brought huge changes to the party systems. Hooghe and Marks (2018) describe a new transnational cleavage. They document the "emergence of a transnational cleavage, which has as its core a political reaction against European integration and immigration. The perforation of national states by immigration, integration and trade may signify a critical juncture in the political development of Europe no less decisive for parties and party systems than the previous junctures that Lipset and Rokkan (1967) detect in their classic article. For challenging parties on the radical right these issues relate to the defense of national community against transnational shocks. The European Union (EU) is itself such a shock, because it introduces rule by those who are regarded as foreigners, diminishes the authority exercised by national states over their own populations, produces economic insecurity among those who lack mobile assets, and facilitates immigration." Europeanization and the wider globalization of which it is a part thus seem to generate the forces that engender a populist backlash.

What is the causal story linking globalization to populism or the extreme right? Some scholars (see Mayer et al. 2015) suggest that globalization leads to a dual labor market: one consisting of insiders and outsiders. Insiders have long-term contracts and secure well-paying jobs; they support for status quo. Outsiders, who are unemployed or in temporary work, form of the basis of this populist reaction; they express their fear and anger through support for extreme right parties, whose rhetoric about immigrants is very powerful for them. But for this factor to operate as a cause globalization has to be related to dualization of the labor market. And outsiders have to have preferences that the extreme right also promotes. Why aren't outsiders drawn to the (extreme) left,

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[10]Kriesi (2014, p. 369-70) notes that the left and right populists want different things however. "I expect the populist right to mobilise in defence of the national identity, the national political community, and of the nation-state, while I expect the lefts populist mobilisations to take the form of the defence of the national welfare state (e.g. mobilisation against Europe in the name of the national social welfare state model) as well as in defence of the economic privileges of domestic sectors of the economy and of domestic production sites."

[11]Kriesi et al. (2006, p. 926) "in Western Europe, (a) mainstream parties will generally tend to formulate a winners programme (i.e., a programme in favour of further economic and cultural integration), but that (b) mainstream parties on the left will attempt to combine the economic integration with the preservation of the social protection by the welfare state, while mainstream parties on the right will tend to reduce the role of the state in every respect."

as they seem to have been in the past?

Cultural arguments for the rise of populism exist as well, but these also seem to be related to globalization. Bornschier (2010, p. 3) articulates the position that rise of populism and the radical right are due to a new cultural cleavage: "As a consequence, a new cultural conflict gained center stage in Western European party systems in the 1990s. One side holds universalistic conceptions of community and advocates individual autonomy; the other emphasizes the right to preserve traditional communities in which common moral understandings have developed and are seen as threatened by multicultural society'. He continues claiming that "[a] central argument developed in this book is that the rise of the populist right is a consequence of the growing salience of the new cultural dimension of conflict at the expense of the economic state-market cleavage."

Bornschier (2010, p. 5) "the populist right rides the tide of a broader societal movement that represents a counter-offensive to the universalistic values advocated by the New Social Movements that came up in the 1960s. A new cultural line of conflict has thereby taken shape across Europe that puts libertarian-universalistic and traditionalist-communitarian values in opposition". The main elements of this cultural program for the radical right are three, according to Bornschier (2010, p. 17-18): "The discourse of right-wing populist parties now centers on three convictions. The parties claim, first, that traditional norms based on common understanding stand over abstract universalistic principles. Second, they claim that multicultural society destroys the 'organically grown' national community and thus dilutes those traditional norms. And third, they insist on the primacy of politics, in that majority decisions taken within a political community stand above universalistic normative principles and decisions taken by supranational political authorities such as the European Union (EU)...the populist right's traditionalist-communitarian discourse represents a polar normative ideal to the libertarian-universalistic conviction of the New Left." Note however that the last two ideas are directly related to the economic cleavage identified by Kriesi (2010) as deriving from globalization. Multiculturalism and supranationalism are fostered by globalization.

Inglehart and Norris (2016) try to separate out the two sets of causes, and they argue for the primacy of the cultural. They delineate an economic inequality and insecurity motivation and a cultural backlash one. While admitting that these two may be linked, they argue for a new political cleavage pitting those with populist values against cosmopolitan liberal ones. They claim that this cultural cleavage now dominates the former left-right one based on socio-economic issues. Moreover, they (2016, p. 4) show that economic insecurity does not have a consistent relationship with populist support but that certain cultural values do: "populist support was strengthened by

anti-immigrant attitudes, mistrust of global and national governance, support for authoritarian values, and left-right ideological self-placement." They (2016, p. 4-5) conclude by noting that "cultural values, combined with several social and demographic factors, provide the most consistent and parsimonious explanation for voting support for populist parties; their contemporary popularity in Europe is largely due to ideological appeals to traditional values which are concentrated among the older generation, men, the religious, ethnic majorities, and less educated sectors of society."

But Kriesi (2010) argues that it is virtually impossible to separate cultural from economic arguments. As Kriesi (2010, p. 680) notes, "not only that conflicts between winners and losers of denationalization are increasing, but also that, as we have argued, they are mainly fought out in cultural terms." For instance, in France, the best predictor in 2012 [for votes for the National Front] was having negative feelings about the EU. [12] Again the reasons seem to combine inseparably economic and cultural factors: "In the present context of global crisis, Europe is seen as the open door on a threatening outside world, as the main factor of economic, political and cultural insecurity. Protection is at the heart of the 2012 Le Pen votes as confirmed by other studies based on qualitative data (Mergier and Fourquet (2011, p. 77-85) as cited in Mayer (2013, p. 168)). For many scholars including Kriesi et al. (2006, p. 928), the economic and cultural elements of the globalization cleavage are tightly interlinked:

> The populist right's opposition to the opening up of the borders is first of all an opposition to the social and cultural forms of competition and the threat they pose to national identity. The main characteristics of the populist right are its xenophobia or even racism, expressed in a fervent opposition to the presence of immigrants in Western Europe, and its populist appeal to the widespread resentment against the mainstream parties and the dominant political elites.

Gidron and Hall (2017a,b) also argue that the combination of economic change in part wrought by globalization and changes in society have generated growing support for populism. They combine in a sophisticated and interesting way cultural and economic factors to explain populism. In their *BJS* article they show that the social status of white, working class men- defined by their levels of education, income, and occupation- has declined for various reasons in the past twenty years and that this group is the most supportive of populism in the West. The question is why now and why right-

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[12] "But the strongest predictor [for votes for the National Front in France] is the negative feeling about the EU: declaring one would be greatly relieved if the EU were to be abandoned doubles the probability of voting for her (Table 2). The 2012 presidential election confirms previous findings about votes for the far right in Western Europe concerning the two main dimensions of the left right cleavage. What matters is not so much the position of voters on the classical economically liberal/interventionist economic axis, as their position on a libertarian/authoritarian cultural axis, and their degree of openness or closure to 'others' Bornschier (2010), Mudde (2007), Tiberj (2008), van der Waal, Achterberg and Houtman (2007) " (Mayer 2013, p. 168).

wing populism; declines in social status of groups occur all the time, but populism does not rise all the time. They show that recent economic changes have been an important cause of this declining status, thus triggering the rise in support among "losers" from globalization. Further, they note that one effect of this change in social status is increase alienation and foster social disintegration, as these workers are forced out of the market or into low-pay, low-status jobs. As they (2017a, p. 2) point out, "the basis on which populist parties rally electoral support, while multi-faceted, is often deeply emotional, playing on feelings of anger, resentment or nostalgia that reflect alienation from conventional politics. In many cases, populist parties mobilize people who would otherwise not vote on the basis of appeals that are anathema to mainstream political elites."

Economists have recently begun to research the topic of the political consequences of globalization. They have generally found strong effects of trade, especially imports from less developing countries mainly China, on voters in different countries. The losses from trade can carry significant adjustment costs in terms of job displacement and reduced earnings for individuals (Acemoglu et al. 2016, Autor et al. 2016, Autor, Dorn and Hanson 2013, Dauth, Findeisen and Suedekum 2014), as well as health problems for exposed workers (Colantone, Rosario and Ogliari 2017, Hummels, Munch and Xiang 2016, Lang, McManus and Schaur 2016, Pierce and Schott 2016). Rodrik (2010 location 1096) points out that the amount of redistribution from trade is usually many times larger than the actual gains from trade; moreover, "the gains from removing restrictions on trade run into diminishing returns as trade becomes freer and freer, with the consequence that the distributional effects begin to loom larger and larger." These costs and the rising uncertainty and shocks associated with globalization may create strong demands for assistance from the state; as others have shown, they may increase demands for redistribution and compensation for the exposed individuals (Cusack, Iversen and Rehm 2006, Margalit 2013, Rehm 2009, Walter 2010). When these demands are not met or not met in a desirable way, then voters may become attracted to more extreme groups and their programs.

Autor (Autor et al. 2016, Autor, Dorn and Hanson 2013) in a series of papers shows that districts in the US most affected by surges in imports from China tended to remove moderate members of congress and vote in more extreme ones, especially on the right. Colantone and Stanig (2018b) show that increased trade especially Chinese imports leads voters to shift to the right, to increase support for nationalist and extreme right parties in 15 west European countries from 1988-2007. Colantone and Stanig (2018a) show that support for the "Leave" option in the UK was stronger in areas hit hardest by trade. Dippel, Gold and Heblich (2016) demonstrate that German voters responded

similarly to increases in trade and especially imports from China and Eastern Europe; those in areas most exposed to this trade tended to increase their support for extreme right parties the most. These papers use micro-level data matching geographic data on imports to political constituencies and then using public opinion or voting data. They are better able to pinpoint the causal nature of the link between trade and political action, but they do not identify the causal mechanism as well.

One puzzle is why working class voters choose right-wing parties instead of their more "natural" attachments to the left (Evans 2000). Colantone and Stanig (2018b, p. 4) claim that it is because of the extreme right wing's program of protectionism; "economic nationalism is a viable — albeit inefficient — policy bundle that substitutes protectionism for the main components of 'embedded liberalism': trade liberalization, redistribution, and compensation of social groups and geographic regions negatively affected by global trade." But the right in the advanced industrial countries has tended to favor free trade more than the left (Milner and Judkins 2004); and it is not clear that the extreme right now is most supportive of protectionism. For a long time, scholars assumed that voters faced by the vicissitudes of openness to the global economy would demand compensation for their losses in exchange for such openness, the so called "embedded liberalism" bargain (Ruggie 1982). Compensation via redistribution was the program of the left and seemed to attract working class voters and damp preferences for extremism (see Burgoon 2009, Garrett 1998). Some scholars now question whether such compensation is still appealing and effective. Gidron and Hall (2017b) maintain that people whose social status has fallen and who feel left behind by globalization because they are its unacknowledged "losers" prefer recognition over redistribution. "Our analysis suggests that 'compensation' is not what these people are looking for. Voters for right populist parties are not especially strong supporters of redistribution. What distinguishes them from other voters is a feeling that they have not been treated with respect a sense that they are not fully valued members of society. They care as much, or even more, about recognition as about redistribution" (Gidron and Hall 2017b, p. 26). The questions now are whether compensation at a level necessary to support the losers from globalization is possible, and whether it still appeals to voters.

What is the alternative to embedded liberalism? Is the only option left is an economic nationalism program with protectionism? This closure would involve not just trade but also migration and possibly capital flows. The economic nationalist bargain could offer this broad protectionism as a way to "compensate" workers threatened by globalization. At the same time, if it is no longer needed to mitigate globalization shocks or no longer believed to be effective, the welfare state could be cut back, or even dismantled, which would reduce the government's need for tax revenues. The promise

of lower taxes then could be combined with protectionism to appeal to other constituencies. The whole platform could be motivated by an ideological appeal to nationalism and national nostalgia for "making the country great again." Is this the alternative being offered increasingly by extremist parties, especially those on the right?

3 Globalization's Growth

To provide a preliminary examination of globalization's growth, I look at various measures of globalization in a sample of 23 advanced OECD countries between 1970 and 2016.[13] Globalization is a multidimensional concept referring to the cross-border movements of capital, goods, and people. One comprehensive measure aggregating these components is the KOF Index of Globalization (Dreher 2006). In this index, economic globalization refers to the creation of a single, unified world market in which all national economies are tightly integrated. It is measured as actual flows of international trade and investment minus restrictions like tariffs and capital controls. Social globalization captures the flows and exchanges of people, information, and culture across borders. Finally, political globalization refers to the number of embassies in a country and participation in international treaties and organizations.

Figure 1 depicts the evolution of globalization and its subcomponents across 23 advanced economies.[14] It reveals a substantial rise in the liberalization of trade and investment as well as greater social and political integration since the 1970s. The mean value is 75 for the 23 advanced economies from 1970 to 2015 with Japan being the most "closed" in 1970 (KOF index = 49) and Belgium the most integrated in 2014 (91). These advanced economies saw the fastest growth of globalization in the 1990s when the mean value rose approximately 10 points between 1990 and 2001. There is a tight relationship between growth in economic and social globalization until 2000 when social globalization begins to flatten out and economic globalization decreases. Political globalization has a large increase starting in 1990 but also begins to flatten at the turn of the twenty-first century.

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[13]The 23 OECD countries are Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Great Britain, Greece, Iceland, Ireland, Italy, Japan, Luxembourg, Netherlands, New Zealand, Norway, Portugal, Spain, Sweden, Switzerland, and the United States.

[14]As for the developing countries, they began liberalizing later and were much more closed in the 1970s and 1980s than the rich ones. But "about 1990, developing nations in regions around the world started to lower their tariffs. This was not a triumph of the GATT or WTO, nor was it fundamentally related to the rash of regional agreements signed among developing nations. The change was driven by conscious decisions by the nations themselves; quite simply, they decided that high tariffs were hindering their development." (Baldwin 2016, p. 101)
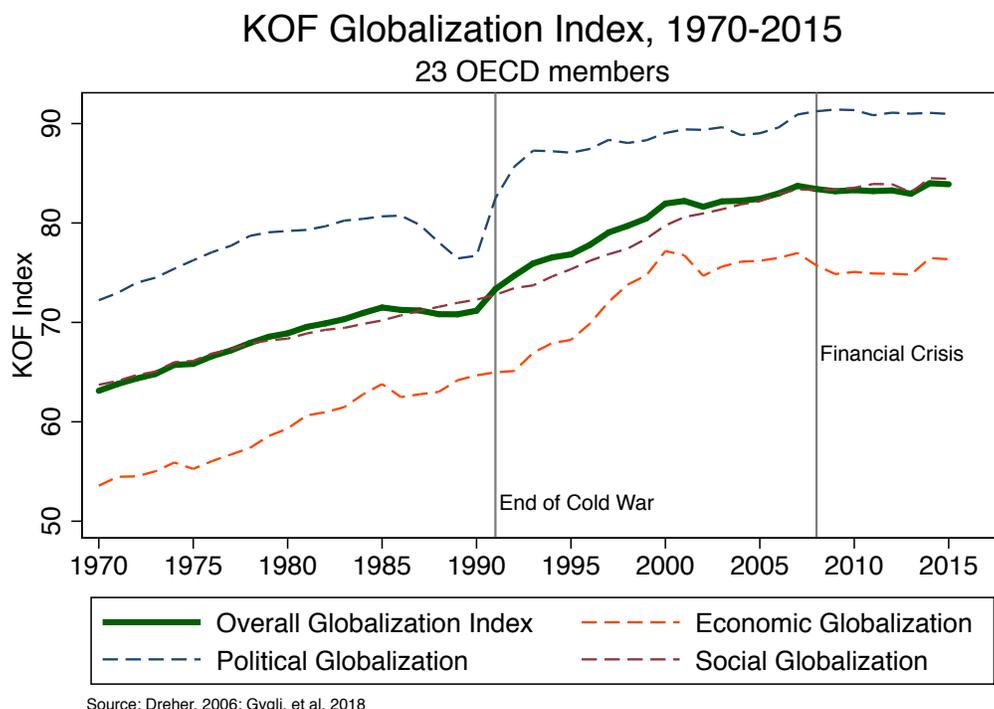
Figure 1: KOF Globalization Index, 1970-2015. Mean values for the KOF Globalization Index and its three subcomponents for 23 OECD countries.

What countries in this group experienced faster or greater levels of globalization? Despite the overall rise in globalization, the advanced economies have not liberalized uniformly. The Netherlands (89), Belgium (89), Ireland (86),and Luxembourg (85.5) were the most integrated in the global political economy in 2015, with higher than average scores for economic globalization. At the lower end, Japan has increased its involvement in international organizations and treaties (59 in 1970 to 91.5 in 2015) but its economic (64) and social (76) integration have remained limited.

To further investigate these differences, I look at some individual measures of economic and social globalization from 1960 to 2016: trade flows, FDI net inflows and outflows, the share of the migrant population, and international migration inflows. Trade flows are the share of exports and imports in real GDP at current PPP and drawn from the World Bank (2018). Figure 2 depicts a secular rise in trade openness from an average of 51 percent in 1960 to 98 in 2016. This masks considerable variation between countries. Total trade as a percentage of GDP is small in large countries such as the United States (about 9% in 1962) and grew 17 percentage points by 2016. By contrast, trade in small countries such as Luxembourg and Belgium represents a disproportionate share of GDP (e.g., 410% in Luxembourg in 2015).

To capture movements of capital across borders, I investigate FDI net inflows and outflows from the World Bank (2018) starting in 1970. Overall, FDI inflows compose a much smaller share of GDP with a mean of 3.2%, but they are much more volatile than trade. For example, Luxembourg has both the minimum and maximum values of FDI inflows ranging from -58% of GDP in 2007 to 252% in 2012. In addition to attracting large amounts of foreign investment, these countries are considerable exporters of capital. FDI outflows track closely with inflows, surging just before the 2008 great recession.

I measure social integration by looking at both the stock and flows of international migrants. First, I use the number of migrants as a share of total population from the World Bank (2018). On average, migrants consisted of 9.5% the population across the 23 countries, with countries such as Japan and Finland on the low end with a foreign population of less than one percent in the 1960s and 1970s. By contrast, Luxembourg's foreign population peaks at 43.8% of its total population in 2015. From the OECD's *International Migration Database*, I look at inflows of international migrants, which are based on population registers or residence permit data from 1984.[15] The sample mean is 187,278 and a median of 80,400. Germany reported the largest influx of immigrants with over two million people in 2015.

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[15]Estimates are only available for the U.S. and Canada prior to 1984.
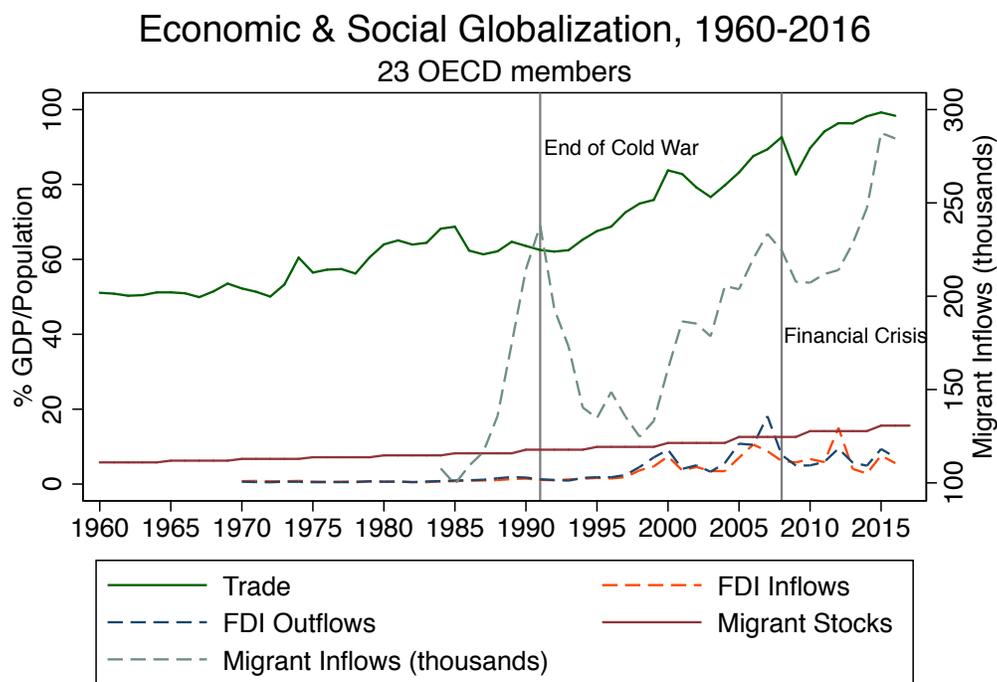
Figure 2: Economic and Social Globalization Measures. Overall trade flows as share of GDP, FDI net inflows and outflows as share of GDP, migrant population as total population share, and foreign population inflows in the thousands for 23 OECD countries.

Figure 2 depicts differences in these trends, showing that trade flows and FDI inflows take off in the 1990s. However, after the 1999 dot-com crisis and 2008 great recession, both trade flows and FDI inflows drop considerably. Due to the large variance and skew in these measures, I log transform the flow measures to smooth the overall distribution in the regression analysis. For FDI flows, which take both negative and positive values, I take the symmetric log to preserve the sign and add a small constant to the absolute value before logging its value.

What have been the economic and political effects of globalization? Economic theory provides an initial expectation about the economic effects of globalization. Stolper-Samuelson and Heckscher-Ohlin theories spell out the distributional effects of trade. Overall, under many conditions trade benefits the entire national as a whole but it hurts certain groups. Low-skilled individuals, who remain the majority even in these countries, are the ones who are most likely to see negative effects, as their jobs migrate to developing countries with cheaper labor and their replacement wages fall. Both increases in imports, mainly manufactured products, and offshoring by multinational firms have contributed to the exit of firms in lower skilled industries and the loss of jobs and decline in wages for workers in these areas. Economists have focused on the large surge in Chinese imports

14

(mostly manufactured goods) into developed countries to estimate the effects of trade on exposed regions of a developed country. The loss of jobs, closing of factories, and decline in wages for low skill workers that they document is notable. However, as others have noted, all working people may feel more insecurity as trade and capital mobility create a global market with greater wage elasticity. As Rodrik (1998) and Scheve and Slaughter (2004) show, employment and wages may become more volatile as globalization rises, fueling general insecurity.

In addition to effects on wages and jobs, trade and globalization more generally may induce faster technological change. Recent research suggests that such change is skill-biased and probably exacerbates the distributional effects of trade in developed countries. Economists have pointed out that skill-biased technological change can explain much of the reduced demand for lower skilled labor in developed countries and the wage stagnation they have experienced in the past twenty years (Autor, Levy and Murnane 2003, Berman, Bound and Machin 1998).

While many economists accept skill-biased technological change as an explanation for wage stagnation and rising inequality in the developed world, the debate has centered on the role of trade, foreign investment- especially offshoring and outsourcing- and immigration on the speed of technological change. Wood (1998) was an early proponent of the claim that globalization was the prime factor in this process. More recent empirical evidence suggests that trade can explain up to 20-25% of the recent decline in US manufacturing jobs.[16] The remaining 75-80% is explained by other factors, such as technological change.[17] But globalization may indirectly stimulate technological change, and it may also reinforce the effects of such change. Just like technological change, trade increases the relative demand for high-skilled workers, as well as the nominal wages of high-skilled workers relative to low-skilled workers in developed countries (Acemoglu 2003). However, trade increases the purchasing power of poor, low-skilled workers by enabling them to purchase a more affordable and wider variety of imported products therefore increasing their wages in real terms. But this benefit is often less apparent to voters than is their wage or job availability. Immigration has also been noted as a force for wage stagnation in the developed world. Low skill immigrants can increase the supply of low skill workers and thus reduce their wages and job opportunities, as Goldin and Katz (2008)

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[16]"Our calculations suggest that, on average, only about one-tenth of the overall increase in inequality between the 1980s and the 2000s can be attributed to the decline in the share of manufacturing jobs." https://voxeu.org/article/declining-share-manufacturing-jobs.

[17] "An estimate that seems to capture the middle ground attributes 15 to 33 percent of the widening US wage gaps to the rise in import competition from developing countries. Note that this is a share of wage inequality only, not total income inequality, and only for the period up to the early 1990s. Within these limits, it leaves 67 to 85 percent of the explanation for other forces, like political shocks, labor force growth, the financial boom, and education slowdown. The share awaiting other explanations would be even greater for the total income inequality" (Lindert and Williamson 2016, p. 237).

point out.

Many scholars have attributed the rise in inequality to the process of globalization. Among the OECD countries, income inequality as measured by the Gini coefficient has widened from 0.37 in 1980 to 0.47 in 2011, and the income share of the top 10% increased from 28.8% to 35.3% during this same period (Alvaredo et al., 2015; OECD, 2015).[18] Bourguignon (2015, p. 117) says "within nations globalization has often directly or indirectly contributed to a rise in inequality. Directly, because it has lowered the relative compensation for unskilled labor in developed countries which face direct competition from the cheap labor costs of emerging economies, and also because it has increased the profits and remuneration of capital and highly skilled labor across the world." It is also seen as having increased technological change especially its rapidity and increasing the premium paid to skilled labor as well as financial capital.[19] As Bourguignon (2015, p. 115) points out, "First of all, we should emphasize the major role played by globalization. It is the background for almost all that has happened. It has changed the international climate for all national economies and has profoundly modified their structures. By intensifying competition, it has accelerated the pace of technological innovation and its consequences. It has induced financial liberalization in a large number of countries and reinforced the mobility of capital.[20] Although they are not presented as such here, the general deregulatory movement and the weakening of the progressiveness of taxation may themselves be an indirect consequence of globalization." Growing inequality may reflect the effects of globalization but there is much debate over whether and how much it does.[21]

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[18]Alvaredo, F., Atkinson, A.B., Piketty, T., Saez, E., Zucman, G., 2015. The World Wealth and Income Database (WID), http://www.wid.world

[19]The implications of technological change in the advanced industrial countries are as "An earlier literature on skill-biased technological change associated these developments to the significant increase in wage inequality between those with university degrees and those with a high school degree or less (Katz and Murphy, 1992). More recently, technological change is argued to promote a significant decrease in the share of routine occupations that occupy the middle of the educational and wage distributions. Information technology, therefore, does not lead to linear upskilling of work, but rather to a process of polarization (Autor et al. 2016, Spitz-Oener 2006)" , according to Thewissen and Rueda (2017, p. 2).

[20]Globalization has induced more capital mobility and perhaps more inequality via tax competition. "There has been a remarkable reduction in corporate taxes around the world since the early 1980s. The average for the member countries of the OECD countries, excluding the United States, has fallen from around 50 percent in 1981 to 30 percent in 2009. In the United States , the statutory tax on capital has come down from 50 percent to 39 percent over the same period (Location 3108)... A study on OECD tax policies finds that when other countries reduce their average statutory corporate tax rate by 1 percentage point the home country follows by reducing its tax rate by 0.7 percentage points (Location 3160)... There are thousands of bilateral investment treaties (BITs) and hundreds of bilateral or regional trade agreements (RTAs) currently in force. Governments use them to promote trade and investment links in ways that go beyond what the WTO and other multilateral arrangements permit. A key objective is to provide a higher level of security to foreign investors by undertaking stronger external commitments." Rodrik Globalization Paradox 2010. US corporate tax rates were further reduced in 2018, now around 21%. The OECD average has now declined to about 24%. In 1987 the simple OECD average was around 45%. https://taxfoundation.org/oecd-corporate-income-tax-rates-1981-2013/

[21]Gordon (2017, p. 606) in assessing why inequality has risen points out that the very top income earners have gained for various reasons and the bottom income earners have lost out due to other reasons: "The rapid pace of advance in

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It is also important to note that globalization has changed over time in the past 30 years. As Baldwin (2016, p. 86) has argued in his book, *The Great Convergence*, since 1990 globalization has changed course.[22] The unbundling of production and the creation of global value chains dramatically changed the world economy. With the ICT revolution, ideas and technological knowledge became much easier to transfer and hence this led to the joining of Northern knowledge with Southern low cost labor to produce ever more competitive goods and services. This "unbundling — sometimes called the global value chain revolution" — redrew the international boundaries of knowledge. The contours of industrial competitiveness are now increasingly defined by the outlines of international production networks rather than the boundaries of nations" (Baldwin 2016, p. 6). In this new environment, it is not clear who wins and loses from globalization. [23] As Baldwin (2016, p. 147) tells us, "when sources of comparative advantage cross international borders, it is not sure that all nations win. ... If the firms from a nation, say Austria, transfer technology abroad in a way that increases the international competition facing Austrian exports, then the Austrians working in Austria may well lose." The story of globalization before 2000 was that high-skill workers in rich nations won, while low-skill workers in rich nations lost, and vice versa for the developing world. Now it is less sectors or skill groups that win or lose but more individual based. As Baldwin (2016, p. 167-169) says, "One implication is that it is less useful to classify the winners and losers according to the sector in which they work or the skill group to which they belong. By fragmenting the production processes, the New Globalization shifted competition from a sector-by-sector type of competition to a stage-by-stage type of competition... globalization could help a particular type of worker in one sector if the offshoring boosted the competitiveness of the stage in which the worker found herself. But the same type of worker with the same skill set in the same company could be hurt if she happened to be working in a stage that was offshored." This also means that unions which are organized along sector or skill levels are no longer very useful.

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incomes at the top, particularly within the top 1 percent, can be explained by a set of factors that have boosted top incomes, including the economics of superstars, changing incentives for executive compensation, and capital gains on real estate and the stock market. Income stagnation for the bottom 90 percent of the distribution has a different set of causes, including the effect of automation in destroying middle-income jobs, an erosion of the strength of labor unions, the decline in the purchasing power of the minimum wage, the effect of imports in the shrinkage of the manufacturing sector, and the role of both high-skilled and low-skilled immigration.")

[22] "The New Globalization has turned this situation on its head. The North — the group of countries called 'industrialized nations' twenty years ago — has seen a rapid fall in the number of jobs and value added shares in the manufacturing sector. At the same time, manufacturing output has soared in six developing nations — called the Industrializing Six (I6) — namely, China, Korea, India, Indonesia, Thailand, and Poland."

[23] "In the decades straddling the year 2000, almost a fifth of the worlds manufacturing shifted from the G7 to the I6. This rapid industrialization triggered historically unprecedented income growth. Since almost half of humanity lives in the I6 nations, their growth takeoffs sparked a commodity super-cycle that "lifted the boats" of commodity-exporting nations around the world." (Baldwin 2016, p. 136)

Hence Baldwin (2016, p. 175) points out that in this unbundling process, "In both sunrise and sunset sectors, some production stages moved, others did not. As a consequence, the winners and losers from globalization are much harder to predict. As this recombination is happening inside the contours of global value chains, national boundaries are no longer the only relevant frontiers when thinking about international competition. Nations that try to compete on the basis of purely national competencies find it increasingly difficult to compete with those who are mixing and matching national competencies...globalization's impact on national economies is less predictable and more individual. The fact that it is driven by information and communication technology means the impact is also more sudden and less controllable." All of which means that there is more uncertainty and insecurity at individual level. And this deep sense of insecurity may have political effects.

4 The Backlash Against Globalization

I focus on globalization and its backlash in terms of party platforms and especially those on foreign policy. What does the domestic reaction to globalization mean for party politics and for the politics of foreign policy? Is globalization leading parties to change their programs and become more nationalist, more anti-internationalist, more autarchic and generally more populist?

The exact causal pathway that would induce this kind of change in party platforms is much harder to pin down. Evidence exists that bad economic circumstances for individuals in developed democracies do lead to more support for extreme parties on the right or left (Gomez, Morales and Ramiro 2016, Lubbers, Gijsberts and Scheepers 2002, Rooduijn and Burgoon 2017, Rydgren 2013, Werts, Scheepers and Lubbers 2013). Right-extremism is associated more with nativism and anti-immigration, while left-extremism is more about anti-capitalism, redistribution, and inequality. As bad times spread, this suggests support for the extremes may grow. But what is it exactly that motivates extremist support in terms of an individual's economic situation? Is it actual unemployment or feared, low and falling real wages, inequality, rising prices and inflation? Any or all of these may generate dissatisfaction with mainstream parties, and globalization as noted above may be linked to most of them. In anticipation of loss of support then, more mainstream parties may adopt more extreme positions. All parties may shift their platforms as economic circumstances change. And finally if globalization affects or is believed to affect an individual's economic situation negatively, individuals and parties may blame it and turn against it as well.

A first step to examine this claim is to follow Burgoon (2009). He looks at political party manifestos in the rich, advanced industrial countries over time and how they have approached certain pol-

icy issues. He identifies two measures that focus much on foreign policy issues but also include some domestic ones: `net autarky` and `net nationalist autarky`.[24] These measures examine party positions on trade protectionism, internationalism, nationalism, multiculturalism, traditionalism, and democracy. Rejection of engagement in the international system, of international institutions for cooperation and of globalization itself are key foreign policy elements of a populist backlash.

First, `Net autarky` is composed of (1) *Protectionism*, support for and opposition to trade protectionism (`per406` and `per407`, respectively, in the CMP codes); (2) *Internationalism*, support for and opposition to international institutions (`per107` and `per109`, respectively); and (3) European Union, support for and opposition to authority of the EU as opposed to national sovereignty (`per108` and `per110`, respectively). This measure captures how much a party in a given election prioritizes statements that advocate autarky: that is, support for protectionism, opposition to international institutions and to the EU. Positive values represent net support for autarky, and negative values represent net opposition to autarky.

The other measure, `net nationalist autarky`, is a composite of issues that gauge not only support for anti-internationalism, but also for political nationalism, traditionalism, xenophobia, and anti-democratic sentiment. This variable supplements a party's support for autarky as defined above with the following elements: (1) multiculturalism, support for and opposition to multiculturalism and ethnic-linguistic-religious cultural diversity in the country (`per607` and `per608`, respectively); (2) National way of life, support for and criticism of patriotism, nationalism and laws to protect established ideas (`per601` and `per602`, respectively); (3) Traditional morality, support for and opposition to traditional values and censorship or other laws to protect established national religion and values (`per603` and `per604`, respectively); (4) Constitutionalism, support for and criticism of accepting constitutional constraints and 'constitutional way of doing things' (`per203` and `per204`, respectively); and (5) Democracy and freedom/human rights, support for principles and legal specifics of minority protection and democratic procedure and of individual and political freedoms (`per201` and `per202`, respectively). This measure captures how much a party puts emphasis on traditional morality, multiculturalism, nationalist patriotism, and democracy and human rights. These measures provide a broad assessment of backlash as it combines the many different elements of a populist reaction.

In addition to these two measures, I use a third measure, which Burgoon (2012) uses as well. Looking at data from the Comparative Manifesto Project (2017), I ask whether parties in the rich

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[24]In later work Burgoon (2012) calls net autarky now anti-globalization.

democracies have turned against engagement with the international economy. Has `Anti-Internationalism`, net opposition to international institutions, risen or fallen? Specifically, this measure captures opposition to minus support for international institutions (`per107` and `per109`, respectively). This includes references to foreign assistance, global governance, international courts, global plans of resources, and international organizations. Negative references toward international cooperation include favorable mentions of national sovereignty, isolation, or unilateralism as opposed to internationalism.

Evolution of Backlash, 1960-2015
23 OECD Countries in the Comparative Manifesto Project
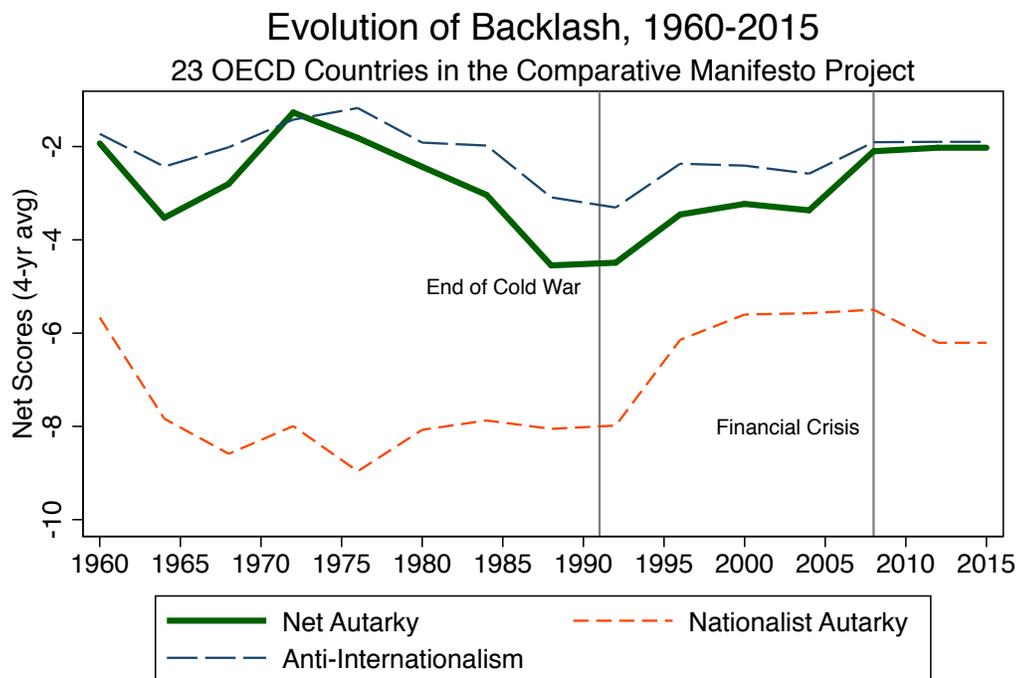
Source: Burgoon, 2009; Lehmann et al, 2016.

Figure 3: Evolution of Backlash in 23 OECD Countries Four-year mean values of net autarky, nationalist autarky, and anti-internationalism across all parties in 23 advanced economies. Positive values represent net support for each measure with +100 as the theoretical maximum, and negative values represent net opposition for each measure with -100 as the theoretical minimum.

Figure 3 depicts yearly averages for net autarky, nationalist autarky, and anti-internationalism for the 23 OECD countries in Burgoon's dataset from 1960-2015. On average, support for net autarky and anti-internationalism actually decline during the 1970s and 1980s but then rise beginning in 1991, reaching their highest levels lately. This is the inverse of globalization trends in these countries.[25] These two measures have mean values of -2.88 and -2.16, respectively, indicating that that the average party manifesto is not autarkic or anti-internationalist. Consistent with Burgoon's findings

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[25]An alternative explanation could be a lag in responses to globalization. That is, the KOF index flattens during 1985-1990, and rises again from 1990s up to 2005. Capital flows in OECD countries are modest until the late 1990s and soar upward from then.

(p. 153), the standard deviations for both scores are quite high: 5.02 for net autarky and 3.3 for anti-internationalism, which are both higher than the mean. This implies that there is a large amount of dispersion among the countries. Net national autarky rises throughout the 1990s and flattens out in the early 2000s and then drops a bit after 2009, which closely tracks globalization measures. That being said, the standard deviation is also quite high (11.05 with a mean of -7.17).

The question here is whether evidence supports the idea from Polanyi (1957) that globalization may cause a backlash among the public if its effects are left unregulated. This backlash may take the form of populist politics rising among parties — especially ones on the extremes. And secondarily I ask whether social welfare policies that try to mitigate the dislocations of globalization can help sustain liberal-democratic politics in a globalized world; that is, whether "embedded liberalism" is still useful.

Following Burgoon, I use social transfers as a percentage of GDP from the *Comparative Political Dataset* (Armingeon et al. 2018) and OECD historical statistics. This measure encompasses of broad range of transfers including unemployment, social security, health and other grants. Averaging across our 23 countries, there is some growth in spending from about 8 percent in 1960 to 13 percent in 1980, but spending flattens out to reach only 14 percent in 2016. As Burgoon (2009, p. 158) finds, this measure of welfare spending is "imperfect" as it is too broad to capture the overall generosity of labor market policies or targeted spending on unemployment. However, it provides the best coverage with annual data available for most countries from 1960 to 2016.[26] I also looked at alternative measures such as unemployment generosity and replacement rates from *Comparative Welfare Entitlements* dataset (Scruggs, Jahn and Kuitto 2017) as well as labor market expenditure data from the OECD, but coverage is much more limited and as Burgoon (2009, p. 158) notes there is little variation overtime.

With an extended timeframe from 1960-2016, I estimate Burgoon's models with similar economic and political controls. Deindustrialization measures the percentage of workers not in industry (Armingeon et al. 2018) and captures the movement of manufacturing jobs to lower-wage polities. This job dislocation can help fuel anti-internationalist sentiment. Seats in parliament in the last election drawn from the Comparative Manifesto Dataset (Volkens et al. 2017) proxies the potential influence of the party in actual economic policymaking. Following Burgoon, I also look at GDP per capita (World Bank 2018) —- logged to smooth the distribution —- to investigate whether wealth can mitigate the backlash against globalization. Unemployment may lead to frustration among dis-

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[26]Greece, Portugal, and Spain have coverage starting in the 1970s.

placed workers and increase blame toward international factors such as outsourcing, immigration, or lower-wage imports. I use the standardized rate of unemployment from Armingeon et al. (2018) to control for the size of unemployment in the country. Old Age refers to the dependency ratio of people older than 65 to the working-age population as reported by World Bank (2018) and can affect both the demand for social welfare expenditure and types of jobs available. Indicators for each political party family is also included to ensure that any backlash against globalization is not driven exclusively by one group.

Table 1: Net Autarky (Social Security Generosity), 1960-2016

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Globalization(t-1)	1.602*	0.916*	0.787**	0.679*	0.160	0.307
	(0.919)	(0.548)	(0.398)	(0.376)	(0.124)	(0.677)
Social Welfare (t-1)	0.261	-0.108*	-0.096	-0.111*	0.036	-0.096
	(0.247)	(0.061)	(0.061)	(0.065)	(0.068)	(0.536)
Globalization X Welfare	-0.063	-0.053	-0.062**	-0.043	-0.005	-0.004
	(0.057)	(0.040)	(0.032)	(0.030)	(0.007)	(0.049)
Deindustrialization(t-1)	0.031	0.049	0.047	0.064*	0.006	0.050
	(0.025)	(0.033)	(0.032)	(0.034)	(0.029)	(0.047)
Autarky(t-1)	0.448***	0.452***	0.411***	0.446***	0.448***	0.444***
	(0.046)	(0.047)	(0.050)	(0.047)	(0.047)	(0.057)
Seats(t-1)	-2.249***	-2.420***	-2.614***	-2.503***	-2.300***	-2.708**
	(0.744)	(0.783)	(0.818)	(0.814)	(0.756)	(1.104)
Log(GDP pc)(t-1)	-0.593***	-0.977***	-0.752***	-0.892***	-0.569**	-0.151
	(0.199)	(0.227)	(0.232)	(0.243)	(0.249)	(0.373)
Unemployment(t-1)	-0.060	0.011	-0.012	-0.005	-0.054	0.087
	(0.042)	(0.045)	(0.045)	(0.045)	(0.041)	(0.066)
Old Age(t-1)	0.064**	0.119***	0.107***	0.099***	0.075**	0.068
	(0.032)	(0.034)	(0.033)	(0.035)	(0.030)	(0.056)
Left Party	-0.872**	-0.918**	-1.032**	-0.904**	-0.842**	-1.220**
	(0.356)	(0.408)	(0.412)	(0.421)	(0.353)	(0.501)
Christian Democratic Party	-1.565***	-1.683***	-1.830***	-1.677***	-1.511***	-1.757***
	(0.436)	(0.494)	(0.483)	(0.502)	(0.435)	(0.575)
Right Party	-1.212***	-1.260***	-1.286***	-1.232***	-1.156***	-1.192**
	(0.358)	(0.414)	(0.413)	(0.420)	(0.357)	(0.506)
Nationalist Party	1.242	1.821**	1.913**	1.842**	1.300	3.398***
	(0.922)	(0.915)	(0.930)	(0.921)	(0.935)	(1.068)
N	1853	1483	1545	1443	1843	1033
R2	0.35	0.40	0.36	0.40	0.35	0.40

Estimates are based on OLS with country fixed effects and robust standard errors clustered by political party.
*p < .1; **p < .05; ***p < .01.

I use a linear regression model with country fixed effects and robust standard errors clustered

by political party, as used by Burgoon (2009). The panel is unbalanced with party-country-year observations that correspond to the election year in the country. All of the globalization, economic, and seats in parliament are lagged one year, because we expect that the effects of globalization (if any) will not contemporaneously appear in party manifestos. Following Burgoon, each globalization variable is estimated separately given the difference in data availability.

In table 1, I report the results from a model predicting the extent of net autarky in party programs where each column looks at a different globalization variable. (Labels for each globalization variable used are at the top of each column.) So column 1 is looking at the effect of the log of trade dependence, for example. Table 1 uses very similar models to Burgoon 2009 but updated to 2016, and it shows that trade and FDI (both inflows and outflows) generate increasing support for autarky in party platforms. There is no evidence here that social welfare spending acts to offset this either directly or when interacted with globalization. These results look at globalization lagged one year, but lagging back to two, three, four or even five years shows similar results. Notably migration either in stock or flow measures does not have an impact. This finding suggests that globalization in the form of trade and FDI does indeed work its way into the party system and exacerbate anti-globalization sentiment.

In table 2, using updated data for Burgoon's models, the results for the broadest measure, net nationalist autarky, are presented and are mainly null. Neither globalization nor welfare spending has an impact on this comprehensive measure of populist sentiment. This outcome might be expected since nationalist autarky is a composite measure of many issues, including domestic ones, and is far broader than autarky or internationalism.

In Table 3, using the dependent variable which captures only the internationalist element of foreign policy, the results show again a strong impact of globalization on anti-internationalist sentiment in party platforms. Trade and FDI (columns 1-3) but not immigration increase a party's platforms' references to anti-internationalism. Here, however, social welfare spending seems to have a counteracting impact. In interaction with globalization, it tends to reduce pressure for anti-internationalism. Figures 4, 5, and 6 show the marginal effects of globalization measures–for trade, FDI inflows, and then FDI outflows- on anti-internationalism as social welfare spending rises. In all cases, the impact of globalization changes from positive to negative as such spending increases, thus lowering anti-internationalist platforms. Lower levels of social welfare spending mean that globalization will lead to greater anti-internationalism in party platforms. But compared to Burgoon's original time frame ending in 2003, it seems as if the effect of social welfare spending has declined over time. The

Table 2: Nationalist Autarky (Social Security Generosity), 1960-2016

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Globalization(t-1)	0.057	0.347	0.749	0.651	0.051	1.842
	(1.563)	(1.007)	(0.675)	(0.682)	(0.213)	(1.668)
Social Welfare (t-1)	0.117	-0.021	0.040	0.010	0.099	0.755
	(0.470)	(0.100)	(0.097)	(0.108)	(0.113)	(1.265)
Globalization X Welfare	-0.010	0.035	-0.036	-0.007	-0.003	-0.063
	(0.113)	(0.082)	(0.063)	(0.063)	(0.013)	(0.115)
Deindustrialization(t-1)	0.061	0.117*	0.125**	0.139**	0.054	0.124*
	(0.049)	(0.066)	(0.061)	(0.065)	(0.055)	(0.073)
Nationalist Autarky(t-1)	0.506***	0.523***	0.503***	0.523***	0.505***	0.535***
	(0.038)	(0.039)	(0.041)	(0.040)	(0.038)	(0.043)
Seats(t-1)	0.815	0.736	0.521	0.630	0.702	1.380
	(1.253)	(1.299)	(1.338)	(1.332)	(1.268)	(1.433)
Log(GDP pc)(t-1)	-0.077	-1.019**	-0.601	-0.892*	-0.069	-1.241*
	(0.313)	(0.451)	(0.461)	(0.489)	(0.390)	(0.692)
Unemployment(t-1)	0.004	0.016	0.013	-0.004	0.009	0.087
	(0.094)	(0.102)	(0.100)	(0.101)	(0.094)	(0.123)
Old Age(t-1)	0.031	0.039	0.002	-0.014	0.028	-0.033
	(0.057)	(0.062)	(0.063)	(0.064)	(0.059)	(0.088)
Left Party	-2.420***	-2.655***	-2.771***	-2.666***	-2.411***	-3.762***
	(0.678)	(0.768)	(0.746)	(0.784)	(0.675)	(0.760)
Christian Democratic Party	0.643	0.694	0.648	0.748	0.710	-0.128
	(1.058)	(1.218)	(1.141)	(1.244)	(1.068)	(1.042)
Right Party	-1.677**	-1.519*	-1.591**	-1.509*	-1.615**	-2.051**
	(0.714)	(0.828)	(0.794)	(0.839)	(0.718)	(0.835)
Nationalist Party	8.026***	8.814***	9.032***	8.764***	8.072***	10.316***
	(2.490)	(2.278)	(2.324)	(2.280)	(2.533)	(2.090)
N	1853	1483	1545	1443	1843	1033
R2	0.47	0.53	0.51	0.53	0.47	0.59

Estimates are based on OLS with country fixed effects and robust standard errors clustered by political party.
*p < .1; **p < .05; ***p < .01.

Table 3: Anti-Internationalism (Social Security Generosity), 1960-2016

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Globalization(t-1)	2.520***	0.658**	0.508**	0.335	0.073	-0.181
	(0.885)	(0.314)	(0.242)	(0.207)	(0.088)	(0.455)
Social Welfare (t-1)	0.660***	-0.032	-0.022	-0.036	0.057	-0.105
	(0.231)	(0.048)	(0.048)	(0.048)	(0.055)	(0.343)
Globalization X Welfare	-0.149***	-0.042*	-0.041**	-0.024	-0.003	0.005
	(0.053)	(0.024)	(0.019)	(0.017)	(0.005)	(0.031)
Deindustrialization(t-1)	0.038**	0.060***	0.057**	0.075***	0.032	0.057**
	(0.017)	(0.022)	(0.023)	(0.025)	(0.020)	(0.027)
Anti-Internationalism(t-1)	0.355***	0.334***	0.275***	0.329***	0.364***	0.326***
	(0.065)	(0.028)	(0.051)	(0.029)	(0.066)	(0.038)
Seats(t-1)	-0.620	-0.921**	-0.863*	-0.883**	-0.732*	-0.733
	(0.435)	(0.417)	(0.441)	(0.428)	(0.439)	(0.498)
Log(GDP pc)(t-1)	-0.583***	-0.812***	-0.806***	-0.818***	-0.498**	-0.437
	(0.189)	(0.188)	(0.198)	(0.205)	(0.213)	(0.278)
Unemployment(t-1)	-0.012	0.020	0.008	0.008	-0.016	0.054
	(0.026)	(0.025)	(0.028)	(0.027)	(0.026)	(0.041)
Old Age(t-1)	0.009	0.063**	0.072**	0.061**	0.034	0.100*
	(0.023)	(0.028)	(0.029)	(0.030)	(0.023)	(0.053)
Left Party	-0.752***	-0.807***	-0.995***	-0.797***	-0.744***	-1.115***
	(0.265)	(0.203)	(0.286)	(0.210)	(0.264)	(0.245)
Christian Democratic Party	-0.948***	-1.064***	-1.226***	-1.073***	-0.913***	-1.319***
	(0.347)	(0.314)	(0.381)	(0.320)	(0.346)	(0.374)
Right Party	-0.430*	-0.396*	-0.493*	-0.359	-0.393	-0.378
	(0.251)	(0.227)	(0.278)	(0.231)	(0.247)	(0.277)
Nationalist Party	-0.018	0.286	0.255	0.302	-0.033	0.824**
	(0.458)	(0.343)	(0.373)	(0.345)	(0.461)	(0.342)
N	1853	1483	1545	1443	1843	1033
R2	0.32	0.38	0.32	0.38	0.32	0.36

Estimates are based on OLS with country fixed effects and robust standard errors clustered by political party. $^*p < .1$; $^{**}p < .05$; $^{***}p < .01$.

Figure 4: Marginal effect of trade and social welfare spending on anti-internationalism

interaction is less influential (i.e., the line is flatter) in all three tables for the different globalization variables.

As for the other variables in the models, there is less consistency. The party families do seem to matter. Left parties show up as less likely to have programs that support autarky, nationalist autarky, and anti-internationalism. Christian Democratic ones are also usually unlikely to support such programs. Deindustrialization only shows up in leading to more anti-internationalism. Other economic variables are more inconsistent.

Marginal Effect of FDI Inflows on Anti-Internationalism
23 OECD Countries
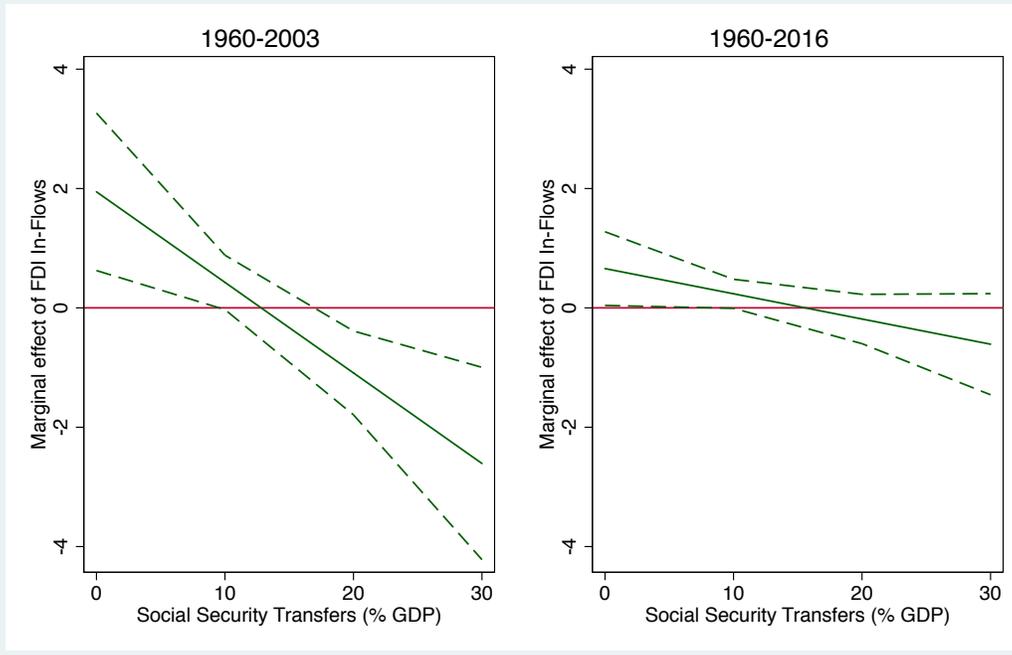
Figure 5: Marginal effect of FDI inflows on anti-internationalism

Marginal Effect of FDI Outflows on Anti-Internationalism
23 OECD Countries
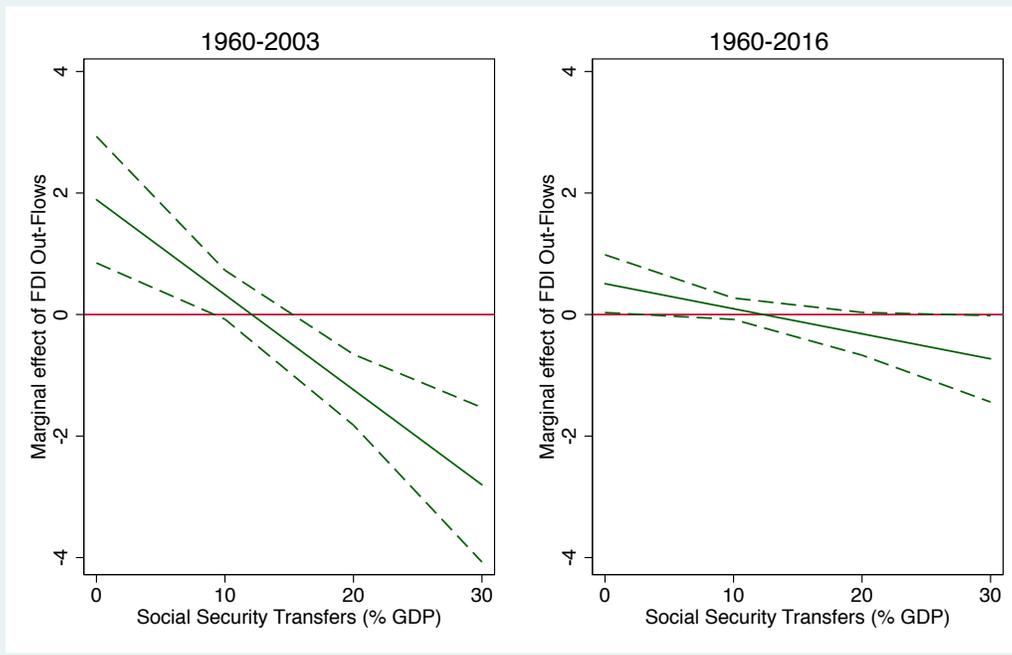
Figure 6: Marginal effect of FDI outflows on anti-internationalism

5 Globalization and Deindustrialization

Employment by Sector, 1960-2016
23 OECD Countries
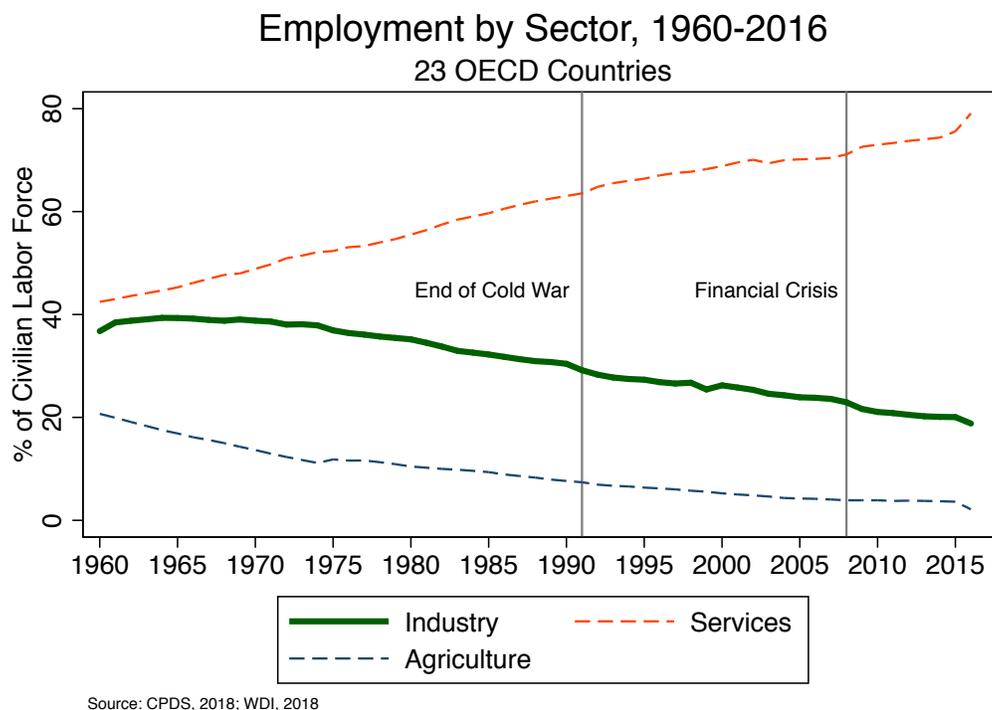
Figure 7: Employment by Sector, 1960-2016

Does globalization have a direct impact on politics? Trade, FDI, and migration have many effects on the economy. Economists have noted that globalization should affect lower skilled, lower wage workers in industries that compete with imports from developing countries. Labor-intensive industries in the West have been hit by imports from the developing world and the number of workers and their wages have fallen in these industries in the North. This trade has supposedly led to deindustrialization, that is, the decline of manufacturing as a percentage of the labor force. Here I focus on first showing that deindustrialization is a consequence of globalization and then below I examine its consequences for politics.

Figure 7 shows the path of deindustrialization in the 23 advanced industrial countries studied here. Beginning in the 1960s these countries began to lose manufacturing employment. The value added by manufacturing has not declined as much in these countries; they are producing as much but with much less labor and thus greater productivity (van Neuss 2018).

Among economists, a debate has raged over whether internal or external forces were more im-

portant for explaining deindustrialization.[27] While some claimed it was largely internal forces (e.g., Chenery, Robinson and Syrquin 1986, Clark 1957), a large number have pointed the finger at different elements of the global economy.[28] Many scholars have cited trade, and especially trade with the developing world as the key to the decline of manufacturing (Alderson 1999, Kollmeyer 2009, Lawrence 1983, 1987, Lawrence et al. 1993, Rowthorn and Ramaswamy 1997, 1999, Sachs et al. 1994, Wood 1994, 1995). In addition, studies have shown that FDI outflows contribute to deindustrialization (Kang and Lee 2011).

Using updated data, I examine the role of external factors and internal ones in deindustrialization in the advanced industrial economies since the 1960s. The aim is to show that globalization is an important predictor of this process. The models here focus on the change in industrial employment, not value-added.

I define deindustrialization as 100 minus the percentage of labor employed in industry. Using data from the Comparative Political Dataset, I calculate the ratio of the number of workers in industry over the total civilian labor force. To assess the extent that international factors affect the rate of deindustrialization, I look at a series of measures of globalization: trade, FDI, and migration. First, I use the same variable for trade as the percentage of GDP variable from the prior analysis on party manifestos. In prior work on the causes of deindustrialization, scholars have also disaggregated trade into two components: net exports and imports from non-OECD countries. The net exports variable is calculated as exports as a percentage of GDP minus imports as a percentage of GDP. Imports from non-OECD countries are calculated using data from the *World Trade Flows (WTF) bilateral dataset* (Feenstra et al. 2005) from 1984. Imports from all countries outside the 23 OECD countries were summed and divided by the country's GDP. To examine the hypothesis if FDI outflows present a "hollowing-out effect on industrial labor (Kang and Lee 2011), I divide net FDI outflows from the World Bank's Development Indicators by the country's total population to calculate FDI Outflows per capita. Migrant inflows are measured using the OECD's *International Migration Dataset*. All of these globalization measures are logged to smooth the overall distribution and lagged one year.

Finally, to examine the influence of internal factors, I look at GDP per capita and the unemploy-

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[27]Deindustrialization is seen as a major problem for two reasons mainly: its consequences for individual employment and well-being of laid-off manufacturing workers as well as the prospects for continued long-term productivity growth. For workers, manufacturing offers relatively high wages to workers with lower or middle level of education and skills. In terms of growth, industrial sectors have long been among those with the highest growth rates of productivity. Deindustrialization thus is viewed as a threat both to current standards of living for workers and to future income levels.

[28]Three internal factors are usually noted: changes in demand for the manufacturing industries owing to an increase in the national income; a faster rate of productivity increase in the manufacturing sector vis-a-vis services; and a faster decrease in the prices of manufacturing goods relative to services.

ment rate. GDP per capita captures what economists have been termed "positive deindustrializa-tion," or in which higher productivity growth in manufacturing and changes in consumption patterns cause movement from employment in manufacturing to services. Economists have termed this type of globalization "positive" as the service sector was able to quickly absorb jobs from manufacturing. I use data from the World Bank and log the variable to smooth the distribution. In the regression esti-mates below, I also use the squared-term, because previous work found that "relative manufacturing employment rises across modest levels of per capita income but then falls once a country becomes more affluent (Kollmeyer 2009, p. 1653)." The unemployment rate is drawn from the Comparative Political Dataset and captures "negative deindustrialization" where lost manufacturing jobs cannot be absorbed by the service sector (van Neuss 2018, p. 57).

My empirical model is based on a country-year dataset covering all 23 OECD countries from 1960-2016.[29] In table 4, I report OLS estimates with country-level fixed effects and robust standard errors clustered by country. If external factors matter, we expect that coefficients on trade, FDI outflows per capita, and migration inflows to have a positive effect on deindustrialization. If internal factors matter, we expect that the square of GDP per capita and unemployment to have positive effects and GDP per capita to have negative one.

Table 4 shows that trade and the internal factors but not FDI nor migration lead to increases in deindustrialization. Trade is highly correlated with deindustrialization even if the substantive effects are fairly small. As expected, GDPpc and squared GDPpc account for the effect of shifting demand for industrial products, where higher levels of GDP per capita should in the beginning lead to larger shares of industrial employment in the economy (which is accounted for with the variable GDPpc), but in later stages of development rising GDP per capita is expected to have the opposite effect on industrial employment (accounted for with squared GDPpc). Unemployment is also positively related to deindustrialization but it is hard to see this as causal. But even after accounting for these internal causes, trade still shows up as a potential cause.

I also investigate trade with the developing world specifically in table 5 beginning in 1984 when data is available. Consistent with our expectations, such imports are positively correlated with deindustrialization. Much as economic models of trade like Stolper-Samuelson would predict, import competition from the labor abundant countries in the developing world will place industries, jobs, and wages at risk for these industries in the North. Surprisingly, neither net exports nor FDI outflows are significant. Indeed, migration may actually allow rich countries to avoid deindustrialization

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[29]Coverage for FDI Outflows begins in 1970 and Migration inflows in 1985

	(1)	(2)	(3)	(4)	(5)
Log(Trade)(t-1)	5.331***			5.830***	4.794***
	(0.711)			(0.814)	(0.844)
Log(FDI Outflows pc)(t-1)		-0.031		-0.033	-0.029
		(0.024)		(0.026)	(0.021)
Log(Mig Inflows) (t-1)			0.224		-0.110
			(0.221)		(0.214)
Log(GDP pc)(t-1)	-180.693***	-52.767***	-71.025**	-61.811***	41.088
	(8.070)	(16.196)	(30.513)	(14.992)	(32.186)
Log(GDP pc)-squared(t-1)	9.293***	3.393***	4.391***	3.676***	-1.093
	(0.391)	(0.772)	(1.410)	(0.711)	(1.488)
Unemployment(t-1)	0.726***	0.681***	0.743***	0.628***	0.627***
	(0.042)	(0.037)	(0.041)	(0.039)	(0.041)
Constant	917.065***	247.751***	325.225**	287.960***	-261.006
	(41.799)	(84.859)	(163.679)	(78.829)	(172.562)
N	1177	921	643	921	624
R2	0.86	0.87	0.84	0.88	0.87

* $p<.1$, ** $p<.05$, *** $p<.01$. OLS models with country fixed effects and robust standard errors clustered by country

as the negative sign on migration suggests by importing low wage labor. Trade is then the only globalization measure that is consistently significant.

Table 5: Deindustrialization (t-1) 23 Countries , 1984-2016

	(1)	(2)	(3)	(4)	(5)
Log(Non-OECD Imports)(t-1)	2.555***			2.169***	2.415***
	(0.296)			(0.248)	(0.289)
Log(Net Exports)(t-1)	0.084			0.132	0.085
	(0.109)			(0.112)	(0.118)
Log(FDI Outflows pc)(t-1)		-0.031		0.004	-0.010
		(0.024)		(0.021)	(0.023)
Log(Mig Inflows) (t-1)			0.224		-0.647**
			(0.221)		(0.298)
Log(GDP pc)(t-1)	-99.067***	-52.767***	-71.025**	-69.485***	-17.847
	(25.537)	(16.196)	(30.513)	(24.428)	(28.064)
Log(GDP pc)-squared(t-1)	5.146***	3.393***	4.391***	3.780***	1.432
	(1.223)	(0.772)	(1.410)	(1.167)	(1.315)
Unemployment(t-1)	0.599***	0.681***	0.743***	0.573***	0.565***
	(0.044)	(0.037)	(0.041)	(0.045)	(0.049)
Constant	537.281***	247.751***	325.225**	378.024***	101.302
	(133.332)	(84.859)	(163.679)	(127.872)	(148.260)
N	436	921	643	429	401
R2	0.89	0.87	0.84	0.90	0.90

* $p<.1$, ** $p<.05$, *** $p<.01$. OLS models with country fixed effects and robust standard errors clustered by country

In this section, I investigated whether globalization might be related to deindustrialization, which is a key trend that has affected all 23 countries studied here. The data imply that besides internal factors trade has had a sizable and significant effect on deindustrialization since the 1960s in the West. Other studies have shown that such industrial contraction has large political effects (e.g., Iversen and Cusack 2000). In the next section I explore whether globalization via deindustrialization is affecting the electoral popularity of parties. Is globalization directly or indirectly contributing to the growing support for right-wing populism?

6 Populist Parties in OECD Elections

This part of this paper looks at what is happening to support for political parties in the 23 rich advanced industrial countries used in this study. I examine two issues here. One are extreme right populist parties gaining support with globalization? And two are centrist parties, especially mainstream left ones, declining in the wake of globalization? These two trends appear to be related. As centrist parties cooperate more, voters have see them as being identical and as representing their own elite interests, not those of ordinary people. As noted by German political analysts:

> In the 2017 election in Germany that set off coalition negotiations, the Christian Democrats and the Social Democrats suffered their worst losses ever in the postwar era, losing more

than 100 seats in the Bundestag, the German federal legislature...This has been the story across Europe, as establishment parties plummet in popularity. "Most analysts attributed the German mainstream parties losses to voters anger at the years of grand-coalition government, which many said had rendered the parties distant and indistinguishable...Agreements between the center-left and center-right have long been seen as a fundamental building block of European stability. But now, as such agreements falter, the popularity of mainstream parties is falling fast, with the center-lefts support collapsing particularly quickly.[30]

Turning to the question of whether populist party vote share has risen as globalization increases, I merge elections data from ParlGov (Doring and Manow 2016) with classifications of far right and mainstream left parties. To classify parties as extreme right, I relied on seminal accounts of extreme far right and populism by Golder (2003), Mudde (2007), van Kessel (2015). I augmented these lists with more recent classifications of populist parties by Algan et al. (2017), Funke, Schularick and Trebesch (2016), Marks et al. (2017), Rooduijn and Burgoon (2017), Rovny (2013). In total, there were 126 parties in 15 European countries that were considered "far right" by at least one article. Many of these parties are quite small and failed to generate considerable support in any election. Out of the 126 parties, only 65 met ParlGov's threshold of gaining more than one percent of the vote share in an election. The final list of parties is provided in appendix table 4. I adopted a similar method to classify mainstream left and right parties by relying on standard definitions in the literature (see appendix tables 5 and 6).[31]

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[30]Taub, Amanda. 2018."How Germanys New Coalition Explains Europes Uncertain Future," *New York Times*. February 11. Available from: https://www.nytimes.com/2018/02/11/world/europe/europe-politics-far-right.html

[31]Specifically, Wagner and Meyer (2017), van Hauwaert and Kessel (2017), Rovny (2013), and Pontusson and Rueda (2010)

Far Right and Mainstream Parties Vote Share, 1985-2016

22 OECD Countries
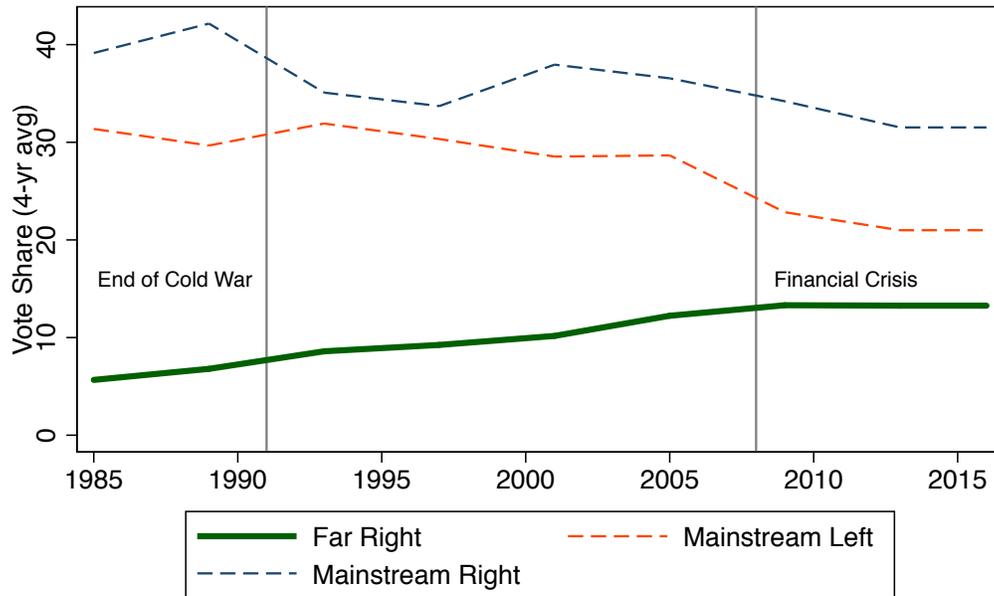
Source: ParlGov, 2018. See appendix for party classifications.

Figure 8: Far Right and Mainstream Left and Right Vote Share, 1985-2016.

Figure 8 depicts aggregate vote shares of extreme right-wing parties, mainstream right, and mainstream left parties from 1985-2016, averaged across the 15 European countries with at least one far right party and 22 OECD countries for mainstream left and right parties, excluding the United States. I take the four-year average of each country's vote share totals to smooth over non-election years. Consistent with our expectations, far right parties experienced a sharp increase in support as globalization surged in the 1990s, more than doubling their average from approximately 5 percent in 1985-1989. By contrast, support for mainstream left parties has declined considerably after the Cold War and the again following the 2008 financial crisis. Support for the mainstream right parties has declined but less so.

Are similar forces increasing support for right populist parties and decreasing confidence in establishment ones? The existing research has produced inconsistent findings with some authors arguing that there is "comprehensive evidence of [a] link between globalization and the electoral success of nationalist, isolationist, and radical-right parties" (Colantone and Stanig 2018b, p 2.) whereas others claim any link between globalization and populism "lacks empirical support at both the aggregate and individual level" (Mudde and Kaltwasser 2018, p. 8). One difficulty in analyzing how globalization affects electoral outcomes is that the effects of trade, investment, and migration

flows may be indirect and affect vote choice through mediating variables such as deindustrialization. As shown in the previous section, globalization is strongly associated with a decrease in the share of industrial employment.

I investigate the determinants of vote share in all elections for the national legislature since 1985 using election data from ParlGov (Doring and Manow 2016). I leverage the same globalization variables used in the prior sections, including trade flows as percentage of GDP (World Bank 2018), FDI net inflows and outflows as a percent of GDP (World Bank 2018), and migrant stock and flows from the (World Bank 2018) and OECD, respectively. These measures are logged and lagged one year so that a party's electoral performance is associated with economic flows in the previous year. I also include a battery of controls, which might influence the outcome, such as the growth rate of GDP per capita, the post-fiscal income inequality Gini (after transfers and taxes), deindustrialization, social security transfers, and the effective number of parties from the *Comparative Political Dataset* (Armingeon et al. 2018).

Is there evidence of movement in electoral support for populist parties in Europe related to the growth of globalization? I expect that globalization might increase vote shares for such parties, and this might especially be the case as globalization works through deindustrialization to affect workers' employment and wages. I attempt to capture these inter-related effects through a series of structural equation models. Structural equation models allows us to combine and elucidate the influence of globalization on deindustrialization and its direct, indirect, and total effects on electoral outcomes. The total effect of trade, FDI, and migration on the far right vote share is defined as the effect of globalization mediated through deindustrialization (i.e., the indirect effect), and a direct effect that consists of other factors outside of deindustrialization. In other words, the direct effect captures the effect of globalization on voting behavior if the level of deindustrialization experiences no change.

Table 6 reports the estimates from structural equation models of deindustralization and the determinants of electoral support for populist right-wing parties. All specifications are estimated using robust standard errors clustered by country and include country level fixed effects. The unit of observation is country-election year. In the top half of table 6, I report the direct effects of deindustrialization and globalization on far right party vote share. Overall, there is a strong relationship between deindustrialization and extreme right-wing vote shares. More deindustrialization leads to more support for such parties. The globalization measures generally do not have a large direct effect on such support. But as the mediation models show, they have significant and sizable effects on deindustrialization and through it on populist vote shares. Deindustrialization is an important

mediator of the relationship between globalization and populism. Interestingly, migration flows and stocks have significant direct effects on populist vote shares; more migrants lead to greater support for them. In addition, it is notable that social welfare spending levels have no significant relationship to populist party support. In sum, as table 7 shows, globalization in the form of trade and FDI have significant indirect effects on populist vote shares, while FDI inflows and outflows and migration have direct effects as well.

In table 8, I estimate the same series of structural equation models for mainstream left party vote shares. In these models deindustrialization has a negative and often significant effect on support for the left. I expect this negative relationship because industrial workers have been a main part of the coalition supporting the left; as their manufacturing jobs disappear, they become prime candidates for supporting populist parties. Migration also has direct negative effects on support for the left. Once again FDI appears to have an indirect effect through deindustrialization on left party support. It increase deindustrialization which in turn decreases left party voting. In table 9, the direct and indirect effects of the globalization variables are shown. Trade, FDI and migration all have significant negative effects in total on left party vote shares. They are contributing to the decline in left, often Social Democratic party, votes, that was shown in table 8. Finally, the data show no effect for social welfare spending in influencing left party vote shares.

In the appendix tables 7 and 8, I present analysis of mainstream right vote shares. Deindustrialization seems to have no effect on them and globalization has neither direct nor indirect effects. The impact of deindustrialization is thus mainly on the left, which makes sense given who left voters were. Left parties tended to be supported by the industrial working class, which is the group most affected by trade and FDI. It should be expected then that left, Social Democratic parties face the greatest threat from globalization and deindustrialization.

This analysis shows strong evidence that globalization is affecting votes shares of political parties in the advanced industrial countries, and it is affecting them differentially. Globalization is directly and indirectly increasing support for right-wing populist parties and decreasing it for left parties. Its indirect effect is mainly operating through the erosion of manufacturing jobs in these countries. The loss of jobs in this sector and the inability to find jobs of similar pay often leads to dissatisfaction with the status quo and more openness to populist appeals. Globalization may also have indirect effects on technological change and adoption of labor-saving innovations, which again may drive support for populism as workers lose jobs. This path is one that I plan to examine in future research. But here it is evident that globalization is having an impact on eroding support for the mainstream left

Table 6: Mediation Models - Far Right Vote Share (t-1) (1985-2016)

	(1) b/se	(2) b/se	(3) b/se	(4) b/se	(5) b/se	(6) b/se
Direct Effects						
Deindustriaization(t-1)	0.767***	0.760***	0.748***	0.786***	0.075	0.462**
	(0.165)	(0.215)	(0.215)	(0.210)	(0.189)	(0.192)
Log(Trade)(t-1)	-1.235					
	(5.997)					
Log(FDI Inflows)(t-1)		0.955				
		(0.637)				
Log(FDI Outflows)(t-1)			0.528			
			(0.427)			
Log(FDI Total)(t-1)				0.597		
				(0.365)		
Migrant Stk(t-1)					1.609***	
					(0.461)	
Log(Mig Inflows)(t-1)						2.835*
						(1.646)
Social Welfare (t-1)	-0.200	-0.070	-0.116	-0.078	-0.109	-0.500
	(0.436)	(0.368)	(0.404)	(0.396)	(0.428)	(0.459)
GDP per capita Growth (t-1)	-0.342	-0.494**	-0.463**	-0.502**	-0.391**	-0.312
	(0.238)	(0.199)	(0.199)	(0.200)	(0.186)	(0.252)
Unemployment (t-1)	-0.191	-0.237	-0.210	-0.250	-0.079	-0.013
	(0.254)	(0.258)	(0.247)	(0.249)	(0.275)	(0.329)
Eff. No. Parties	2.051*	1.702*	1.798*	1.670	1.890**	2.079**
	(1.064)	(1.031)	(0.979)	(1.017)	(0.825)	(0.922)
Gini (t-1)	-0.467	-0.325	-0.406	-0.285	-0.504*	-0.523
	(0.393)	(0.340)	(0.343)	(0.342)	(0.287)	(0.440)
Constant	-52.590**	-61.903***	-56.931***	-62.526***	-17.867	-55.666***
	(21.616)	(16.800)	(17.605)	(16.621)	(15.362)	(17.572)
Global → Deindus.						
Log(Trade)(t-1)	2.987**					
	(1.295)					
Log(FDI Inflows)(t-1)		1.677***				
		(0.446)				
Log(FDI Outflows)(t-1)			1.371**			
			(0.619)			
Log(FDI Total)(t-1)				1.376***		
				(0.529)		
Migrant Stk(t-1)					0.317***	
					(0.055)	
Log(Mig Inflows)(t-1)						-0.292
						(0.627)
GDP pc Growth (t-1)	-0.470***	-0.471***	-0.486***	-0.498***	-0.360***	-0.413***
	(0.087)	(0.088)	(0.113)	(0.104)	(0.116)	(0.126)
Constant	62.613***	73.415***	73.554***	73.065***	71.539***	78.563***
	(5.753)	(1.038)	(1.170)	(1.289)	(1.062)	(6.913)

Table 7: Far Right Vote Share (Indirect and Total Effects) (t-1) (1985-2016)

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Indirect Effect	2.291**	1.275**	1.027*	1.081**	0.024	-0.135
	(1.1459)	(0.494)	(0.5823)	(0.5165)	(0.0589)	(0.2701)
Total Effect	1.056	2.229***	1.555**	1.678***	1.633***	2.700*
	(5.9693)	(0.7806)	(0.652)	(0.5984)	(0.4243)	(1.597)
N	139	131	135	130	137	120

Estimates are based on generalized structural equation models with country fixed effects and robust standard errors clustered by country. $^{*}p < .1$; $^{**}p < .05$; $^{***}p < .01$.

and enhancing it for right-wing populists.

Table 8: Mediation Models - Mainstream Left Parties Vote Share (t-1) (1985-2016)

	(1) b/se	(2) b/se	(3) b/se	(4) b/se	(5) b/se	(6) b/se
Direct Effects						
Deindustrialization(t-1)	-0.187	-0.406**	-0.382**	-0.392**	-0.118	-0.195
	(0.220)	(0.179)	(0.174)	(0.176)	(0.184)	(0.183)
Log(Trade)(t-1)	-6.938					
	(4.419)					
Log(FDI Inflows)(t-1)		0.036				
		(0.475)				
Log(FDI Outflows)(t-1)			-0.306			
			(0.422)			
Log(FDI Total)(t-1)				-0.171		
				(0.352)		
Migrant Stk(t-1)					-0.618**	
					(0.242)	
Log(Mig Inflows)(t-1)						-1.614***
						(0.563)
Social Welfare (t-1)	0.284	0.275	0.228	0.246	0.240	0.526**
	(0.179)	(0.218)	(0.221)	(0.218)	(0.195)	(0.235)
GDP pc Growth (t-1)	0.278**	0.228*	0.246**	0.239**	0.237**	0.275
	(0.119)	(0.118)	(0.119)	(0.119)	(0.101)	(0.188)
Unemployment (t-1)	-0.631	-0.582	-0.581	-0.583	-0.653*	-0.403
	(0.393)	(0.398)	(0.379)	(0.391)	(0.388)	(0.328)
Eff. No. Parties	-3.751***	-3.722***	-3.737***	-3.722***	-3.653***	-3.735***
	(0.872)	(0.941)	(0.899)	(0.933)	(0.837)	(0.834)
Gini (t-1)	0.127	0.002	-0.006	-0.003	0.000	0.095
	(0.377)	(0.356)	(0.348)	(0.359)	(0.361)	(0.366)
Constant	89.581***	84.612***	83.655***	84.207***	77.306***	81.433***
	(9.823)	(12.331)	(11.183)	(12.111)	(8.588)	(10.450)
Global → Deindus.						
Log(Trade)(t-1)	2.987**					
	(1.295)					
Log(FDI Inflows)(t-1)		1.677***				
		(0.446)				
Log(FDI Outflows)(t-1)			1.371**			
			(0.619)			
Log(FDI Total)(t-1)				1.376***		
				(0.529)		
Migrant Stk(t-1)					0.317***	
					(0.055)	
Log(Mig Inflows)(t-1)						-0.292
						(0.627)
GDP pc Growth (t-1)	-0.470***	-0.471***	-0.486***	-0.498***	-0.360***	-0.413***
	(0.087)	(0.088)	(0.113)	(0.104)	(0.116)	(0.126)
Constant	62.613***	73.415***	73.554***	73.065***	71.539***	78.563***
	(5.753)	(1.038)	(1.170)	(1.289)	(1.062)	(6.913)

Table 9: Mainstream Left Parties Vote Share (Indirect and Total Effects) (1985-2016)

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Indirect Effect	-0.559	-0.681**	-0.524	-0.539*	-0.037	0.057
	(0.7128)	(0.3334)	(0.3362)	(0.3116)	(0.0606)	(0.1315)
Total Effect	-7.497*	-0.646	-0.830*	-0.711	-0.656***	-1.557**
	(3.9453)	(0.5221)	(0.4354)	(0.4017)	(0.2101)	(0.625)
N	199	191	194	189	197	174

Estimates are based on generalized structural equation models with country fixed effects and robust standard errors clustered by country. $^*p < .1$; $^{**}p < .05$; $^{***}p < .01$.

7 Conclusion

This investigation of the political effects of globalization in the rich democracies of the OECD since the 1960s suggests an important relationship between globalization and populism. First, a direct relationship appears to exist between globalization and changes in party platforms. More trade and FDI are associated with a turn to anti-internationalism and anti-globalization, but less so for broader populist sentiments. Social welfare spending also seems less and less able to mitigate this relationship. Second, globalization is indirectly affecting party vote shares. A big factor in shifting votes from left parties and toward extreme right-wing populist ones is deindustrialization. But globalization is connected to deindustrialization and when it is mediated by that force globalization then leads to declining support for the left and rising support for right-wing populist parties. Globalization thus seems to be generating a political backlash against itself and mainstream democratic politics.

Because it is the largest part of the economy engaged in globalization, international trade seems to generate the most amount of backlash against globalization. Foreign capital flows-both inflows and outflows- have an effect in generating anti-internationalism and populism in party programs, but their effects seem less strong than those from trade. While talked about most these days, immigration has little direct association with pressure for autarchy and anti-internationalism in party programs. But it could well be that the pressure from immigration is too recent to track here; recent political problems in Germany over migrants suggest more political effects now. Migration, however, is having direct effects on increasing vote shares for populist parties and decreasing them for left-wing parties.

The research here is cross-national, aggregating the specific and often regional impacts of globalization into a national measure. Studies, however, suggest that much of the action is at the regional or local level and thus I expect that more fine-grained data would expose an even stronger relationship. As Pavcnik (2017, p. 4) notes because workers are not very mobile, "Effects of trade on

earnings are geographically concentrated and unequal within a country, depending on the region's exposure to import and export shocks... Trade's adverse effects appear to be highly geographically concentrated and long-lasting in developing and developed countries alike." This aggregation may obfuscate the impact of globalization.

Furthermore, many of the traditional policy instruments and political institutions that seemed to have contained globalization pressures on the public no longer seem to work. As Pontusson and Weisstanner (2018, p. 32) point out, despite many differences across these countries they have all experienced the same broad economic trends, suggesting that their differences are not that important: "we show that relative poverty as well as overall inequality, measured before taxes and transfers, jumped in virtually all OECD countries in the early 1990s, held steady or even declined from 1994 to 2007, and then increased again in the wake of the Great Recession." In Milner (2018) I show that left-labor power does not seem to mediate the decline in social welfare spending due to globalization any longer. In this paper it seems as if social welfare spending is not mitigating the impact of globalization on party platforms either. Finally, globalization may be undermining left parties and their main source of political support.

I have also begun to explore the relationship between globalization and technological change. Globalization may not have direct relationship with political outcomes. It may operate through other factors: such as technological change, inequality, or the demise of the welfare state. Driven by trade and technological change, deindustrialization has been noted as a force for change in politics (Iversen and Cusack 2000). Here I show that globalization works through deindustrialization to foster support for right-wing populist parties. In other research Milner (2018), I look at the adoption of technologies more specifically and the introduction of robots as well.[32]

What is to be done? Should we end globalization and retreat into protectionism and isolation? Would this help politics and democracy? There's evidence that trade and FDI promote growth and innovation, so ending both of them would probably make countries overall worse off (e.g., Dollar and Kraay 2004, Frankel and Romer 1999, Grossman and Helpman 1991). The better path would be to maintain openness but somehow help the losers from it. This idea is an old one and the welfare state in part was developed to help with this. But these older policies may not work any more to reduce the pressures associated with globalization and rapid economic change. It may be that unions have

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[32]Gordon (2017, p. 443) in his recent book on technological change notes that the US and other countries have not experienced a huge surge in technological innovation affecting society lately. He claims the earlier period from 1870 to 1940 was much more revolutionary in terms of technological change and economic growth. His argument and data suggest that technological change is not the cause of recent sweeping economic changes-like inequality or the decline of unions- that might bring about political change, like the rise in populism.

been so weakened they can no longer function to contain globalization pressures.[33] Left parties also are under attack and caught in a bind where policies to help labor in the longer run have short-run costs that make them unappealing. The welfare state itself may no longer be able to compensate the public for the vicissitudes of global capitalism, as open capital markets make it harder and harder for governments to collect the necessary taxes to pay for the benefits.

Rising inequality, financial crises and deflationary pressures, deindustrialization and competition from the developing countries, and rapid technological change may be undoing the compromise of embedded liberalism that sustained globalization previously. Into this breach are coming radical left- and right-wing parties who promise protection; they articulate a populist program that offers workers protection from the vicissitudes of contemporary global capitalism. Such programs may provide help in the short run but they tend to have long run costs that make them unsustainable (Dornbusch and Edwards 1991, Sachs 1989). Unfortunately, playing on the dissatisfaction with economic conditions, populist leaders often combine them with strongly nationalist and anti-democratic practices, as evidenced in countries like Hungary and Poland recently. Populist, anti-democratic politics is what Polanyi anticipated would arise when individuals are left to face the market without political or social help. The question is what can be done to stop this trend.

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[33]Baccaro and Pontusson (2016, p. 196) note how trade may undermine unions and labor organization. A large driver of economic growth in the OECD countries has been exports. But they point out that such export-driven growth tends to increase inequality since low skill workers do not benefit (as much) from it as high skill ones do. Moreover, they claim that high skill workers benefit from it the most when they are not constrained by unions or centralized labor bargaining. Hence these workers become less and less interested in unions and labor organization.

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APPENDIX

Table 1: Net Autarky (Social Security Generosity), 1960-2003

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Globalization(t-1)	2.052**	2.416**	1.508	1.720**	0.077	-0.832
	(1.021)	(1.012)	(0.936)	(0.841)	(0.152)	(0.890)
Social Welfare (t-1)	0.394	-0.003	0.008	0.015	0.024	-1.298*
	(0.291)	(0.081)	(0.088)	(0.097)	(0.074)	(0.769)
Globalization X Welfare	-0.082	-0.172**	-0.135**	-0.127**	0.003	0.112
	(0.065)	(0.076)	(0.066)	(0.062)	(0.006)	(0.073)
Deindustrialization(t-1)	0.018	0.052	0.045	0.062	-0.027	0.049
	(0.029)	(0.043)	(0.043)	(0.043)	(0.040)	(0.072)
Autarky(t-1)	0.404***	0.390***	0.337***	0.380***	0.405***	0.360***
	(0.054)	(0.057)	(0.057)	(0.058)	(0.054)	(0.071)
Seats(t-1)	-2.701***	-3.202***	-3.513***	-3.436***	-2.746***	-3.949***
	(0.731)	(0.693)	(0.755)	(0.737)	(0.747)	(0.915)
Log(GDP pc)(t-1)	-0.832***	-1.599***	-1.108***	-1.451***	-0.705**	-1.041*
	(0.294)	(0.337)	(0.358)	(0.374)	(0.333)	(0.547)
Unemployment(t-1)	-0.049	0.061	-0.004	0.034	-0.023	0.191**
	(0.059)	(0.068)	(0.064)	(0.066)	(0.059)	(0.079)
Old Age(t-1)	0.094	0.196***	0.152**	0.169**	0.120*	0.076
	(0.064)	(0.075)	(0.075)	(0.081)	(0.067)	(0.141)
Left Party	-0.637*	-0.591	-0.740*	-0.550	-0.614*	-0.984*
	(0.340)	(0.397)	(0.404)	(0.417)	(0.341)	(0.511)
Christian Democratic Party	-1.366***	-1.381***	-1.613***	-1.376***	-1.311***	-1.350**
	(0.409)	(0.467)	(0.463)	(0.483)	(0.410)	(0.575)
Right Party	-1.160***	-1.225***	-1.256***	-1.184***	-1.104***	-1.181**
	(0.349)	(0.414)	(0.413)	(0.425)	(0.353)	(0.539)
Nationalist Party	0.473	1.351	1.396	1.392	0.525	2.853***
	(1.057)	(0.956)	(0.998)	(0.970)	(1.071)	(1.072)
N	1429	1059	1121	1019	1419	621
R2	0.34	0.40	0.34	0.39	0.33	0.37

Estimates are based on OLS with country fixed effects and robust standard errors clustered by political party.
$^{*}p < .1$; $^{**}p < .05$; $^{***}p < .01$.

Table 2: Nationalist Autarky (Social Security Generosity), 1960-2003

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Globalization(t-1)	0.486	3.763	1.584	2.468	0.154	0.007
	(1.926)	(2.369)	(1.866)	(1.792)	(0.280)	(2.629)
Social Welfare (t-1)	0.015	0.171	0.144	0.190	0.079	-1.377
	(0.568)	(0.147)	(0.152)	(0.185)	(0.121)	(2.116)
Globalization X Welfare	0.026	-0.234	-0.143	-0.165	0.008	0.131
	(0.136)	(0.173)	(0.134)	(0.132)	(0.012)	(0.196)
Deindustrialization(t-1)	0.083	0.214***	0.218***	0.222***	-0.000	0.211*
	(0.059)	(0.082)	(0.077)	(0.083)	(0.072)	(0.111)
Nationalist Autarky(t-1)	0.480***	0.496***	0.475***	0.498***	0.477***	0.526***
	(0.044)	(0.048)	(0.049)	(0.049)	(0.044)	(0.052)
Seats(t-1)	0.421	0.216	-0.182	-0.033	0.347	0.506
	(1.430)	(1.496)	(1.561)	(1.557)	(1.459)	(1.926)
Log(GDP pc)(t-1)	-0.314	-1.677**	-0.899	-1.330*	-0.378	-1.909*
	(0.441)	(0.658)	(0.657)	(0.702)	(0.504)	(1.002)
Unemployment(t-1)	-0.010	0.048	-0.006	0.017	0.043	0.386**
	(0.117)	(0.134)	(0.120)	(0.128)	(0.115)	(0.171)
Old Age(t-1)	0.049	0.110	0.071	0.050	0.085	-0.083
	(0.103)	(0.129)	(0.124)	(0.129)	(0.110)	(0.231)
Left Party	-1.869***	-1.934**	-2.174***	-1.907**	-1.848***	-3.563***
	(0.680)	(0.815)	(0.763)	(0.831)	(0.682)	(0.766)
Christian Democratic Party	1.918	2.565*	2.223*	2.696*	2.031*	1.580
	(1.177)	(1.439)	(1.298)	(1.468)	(1.199)	(1.175)
Right Party	-1.624**	-1.449	-1.570*	-1.404	-1.569**	-2.440***
	(0.714)	(0.885)	(0.823)	(0.895)	(0.722)	(0.886)
Nationalist Party	7.738**	9.059***	9.175***	9.067***	7.878**	11.716***
	(3.063)	(2.902)	(2.954)	(2.899)	(3.132)	(2.962)
N	1429	1059	1121	1019	1419	621
R2	0.44	0.51	0.48	0.51	0.44	0.60

Estimates are based on OLS with country fixed effects and robust standard errors clustered by political party.
*p < .1; **p < .05; ***p < .01.

Table 3: Anti-Internationalism (Social Security Generosity), 1960-2003

	(1) Trade b/se	(2) FDI-In b/se	(3) FDI-Out b/se	(4) FDI-Total b/se	(5) MigStock b/se	(6) MigFlow b/se
Globalization(t-1)	2.359***	1.205*	1.402**	0.996**	-0.018	-0.982
	(0.837)	(0.629)	(0.542)	(0.486)	(0.091)	(0.804)
Social Welfare (t-1)	0.768***	-0.007	0.040	0.039	0.020	-0.595
	(0.247)	(0.064)	(0.061)	(0.071)	(0.056)	(0.586)
Globalization X Welfare	-0.177***	-0.112**	-0.132***	-0.099***	0.001	0.055
	(0.056)	(0.047)	(0.039)	(0.037)	(0.004)	(0.056)
Deindustrialization(t-1)	-0.014	-0.008	-0.011	0.012	-0.023	0.022
	(0.021)	(0.021)	(0.030)	(0.021)	(0.034)	(0.037)
Anti-Internationalism(t-1)	0.357***	0.338***	0.248***	0.321***	0.363***	0.327***
	(0.077)	(0.038)	(0.063)	(0.040)	(0.078)	(0.048)
Seats(t-1)	-0.630	-1.031**	-1.027*	-1.062*	-0.713	-0.811
	(0.522)	(0.521)	(0.556)	(0.547)	(0.532)	(0.629)
GDP Gwth(t-1)	0.030	0.007	-0.006	0.016	0.028	0.022
	(0.044)	(0.040)	(0.057)	(0.043)	(0.045)	(0.079)
Unemployment(t-1)	0.023	0.070*	0.045	0.051	0.017	0.124**
	(0.038)	(0.040)	(0.041)	(0.041)	(0.039)	(0.055)
Old Age(t-1)	-0.099**	-0.013	-0.021	-0.013	-0.040	0.173*
	(0.042)	(0.045)	(0.039)	(0.048)	(0.037)	(0.102)
Left Party	-0.658**	-0.721***	-0.966***	-0.720***	-0.663**	-1.191***
	(0.314)	(0.244)	(0.355)	(0.259)	(0.317)	(0.337)
Christian Democratic Party	-0.863**	-0.928***	-1.165***	-0.966***	-0.838**	-1.299***
	(0.381)	(0.326)	(0.432)	(0.337)	(0.384)	(0.422)
Right Party	-0.426	-0.446*	-0.584*	-0.405	-0.403	-0.436
	(0.301)	(0.262)	(0.342)	(0.273)	(0.302)	(0.373)
Nationalist Party	-0.230	0.157	0.115	0.178	-0.254	0.471
	(0.620)	(0.424)	(0.481)	(0.438)	(0.617)	(0.484)
N	1385	1050	1112	1010	1366	621
R2	0.33	0.40	0.33	0.40	0.33	0.39

Estimates are based on OLS with country fixed effects and robust standard errors clustered by political party.
*p < .1; **p < .05; ***p < .01.

Table 4: Far Right Parties

Country	Party Abb.	Party Name
Austria	FPO	Freedom Party of Austria
Austria	TS	Team Stronach for Austria
Austria	BZO	Alliance for the Future of Austria
Belgium	VU	People's Union [Flemish Concentration]
Belgium	PP	People's Party
Belgium	FN	National Front
Belgium	LDLDD	List Dedecker / Libertarian, Direct, Democratic
Belgium	VB	Flemish Block
Denmark	DF	Danish Peoples Party
Denmark	FrP	Progress Party
Finland	SP P	Finnish Party / True Finns
Finland	IK	Isnmaallinen Kansanliike
France	FN	National Front
France	MPF	Movement for France
France	PRG	Radical Party of the Left
France	MNR	National Republican Movement
Germany	AfD	Alternative for Germany
Germany	WAV	Economic Reconstruction League
Germany	NPD	National Democratic Party
Germany	Rep	The Republicans
Germany	DP	German Party
Germany	DVU	German People's Union
Greece	POLAN	Political Spring
Greece	LSCA	Peoples Association / Golden Dawn
Greece	EDE	National Democratic Union
Greece	EPEN	National Political Union
Greece	EP	National Alignment
Greece	ANEL	Independent Greeks

Table 4 – continued from previous page

Country	Party Abb.	Party Name
Greece	LAOS	Popular Orthodox Rally
Italy	LL	Lombard League
Italy	LV	Venetian League
Italy	AN	National Alliance
Italy	LN	North League
Italy	MSFT	Fiamma Tricolore
Italy	FdICN	Brothers of Italy – National Centre-right
Italy	MSI	Italian Social Movement / Italian Social Movement-National Right
Italy	MS	Five Star Movement
Italy	ASM	Social Alternative Mussolini
Luxembourg	ARADR	Action Committee Pensions / Alternative Democratic Reform Party
Luxembourg	NB	National Movement
Netherlands	CD	Centre Democrats
Netherlands	CP	Centre Party
Netherlands	PVV	Party for Freedom
Netherlands	SP	Socialist Party
Netherlands	LN	Livable Netherlands
Netherlands	LPF	Fortuyn List
Norway	FrP	Progress Party [Anders Langes Party]
Portugal	PDC	Christian Democratic Party
Portugal	CDSPP	Democratic and Social Center – People's Party
Portugal	FSP	People's Socialist Front
Sweden	NyD	New Democracy
Sweden	SD	Sweden Democrats
Switzerland	SVPUDC	Swiss People's Party
Switzerland	MCG	Geneva Citizens' Movement
Switzerland	APFS	Automobile Party / Freedom Party of Switzerland
Switzerland	NASD	National Action against Foreign Domination Swiss Democrats
Switzerland	LdTI	Ticino League

Continued on next page

Table 4 – continued from previous page

Country	Party Abb.	Party Name
Switzerland	RB	Swiss Republican Movement
United Kingdom	NF	National Front
United Kingdom	DUP	Democratic Unionist Party
United Kingdom	ED	English Democrats
United Kingdom	UKIP	United Kingdom Independence Party
United Kingdom	BNP	British National Party

Table 5: Mainstream Left Parties

Country	Party Abb.	Party Name
Australia	ALP	Australian Labor Party
Austria	SP	Social Democratic Party of Austria
Belgium	PS	Socialist Party [Francophone]
Belgium	SPASpirit	Socialist Party Different / Social Liberal Party / Spirit
Belgium	SP	Flemish Socialist Party
Canada	LP	Liberal Party
Denmark	SD	Socialdemokraterne
Finland	SDP	Social Democratic Party of Finland
France	PS	Socialist Party
Germany	SPD	Social Democratic Party of Germany
Greece	PASOK	Panhellenic Socialist Movement
Ireland	LAB	Labour Party
Italy	DS	Democrats of the Left
Italy	PD	Democratic Party
Italy	PCI/PDS	Italian Communist Party
Italy	Ulivo	Ulivo
Japan	JSP	Japan Socialist Party / Social Democratic Party
Japan	DSP	Democratic Socialist Party
Luxembourg	LSAP	Luxembourg Socialist Workers' Party
Netherlands	PvdA	Labour
New Zealand	LP	Labour Party
Norway	AP	Norwegian Labour Party
Portugal	PS	Socialist Party
Spain	PSOE	Spanish Socialist Workers Party
Sweden	SAP	Social Democrats
Switzerland	SP	Social Democratic Party of Switzerland
United Kingdom	Lab	Labour Party

Table 6: Mainstream Right Parties

Country	Party Abb.	Party Name
Australia	LPA	Liberal Party of Australia
Austria	VP	Austrian People's Party
Belgium	CD&V	Christen-Democratisch en Vlaams
Belgium	CDH	Humanist Democratic Centre
Belgium	PVVOVLD	Party of Liberty and Progress /Open Flemish Liberals and Democrats
Belgium	PRL	Liberal Reformist Party
Belgium	MR / VLD	Reformist Movement
Canada	CPC	Conservative Party of Canada
Canada	PCP	Progressive Conservatve Party of Canada
Denmark	V	Liberal Party
Denmark	KF	Conservative People's Party
Finland	KESK	Agrarian Union / Centre Party
Finland	KOK	National Coalition Party
France	RPR	Rally for the Republic
France	UMP	Union for a Popular Movement
France	UDF	Union for French Democracy
France	NC	New Centre
Germany	CDU	Christian Democratic Union
Germany	CSU	Christian Social Union
Germany	FDP	Freie Demokratische Partei
Greece	ND	New Democracy
Ireland	FF	Fianna Fail The Republican Party
Ireland	FG	Fine Gael (Familiy of the Irish)
Italy	FI	Go Italy
Italy	PdL	The People of Freedom
Italy	DC/FI	Christian Democrats
Japan	LDP	Liberal Democratic Party
Luxembourg	PCS/CSV	Christian Social People's Party
Luxembourg	DP	Democratic Party
Netherlands	CDA	Christian Democratic Appeal
Netherlands	VVD	People's Party for Freedom and Democracy
New Zealand	NP	National Party
Norway	KrF	Christian Democratic Party
Norway	H	Conservative Party
Portugal	PPDPSD	Popular Democratic Party / Social Democratic Party
Spain	PP	People's Alliance-Party / People's Party
Sweden	M	Right Party / Moderate Party
Sweden	BC	Farmers' League / Centre Party
Switzerland	CVP/PDC	Catholic Conservative / Christian Democratic Peoples Party
Switzerland	FDP	The Liberals
United Kingdom	CON	Conservatives

Table 7: Mediation Models - Mainstream Right Parties Vote Share (t-1) (1985-2016)

	Trade b/se	FDI-In b/se	FDI-Out b/se	FDI-Total b/se	MigStock b/se	MigFlow b/se
Direct Effects						
Deindustrialization(t-1)	-0.241	-0.203	-0.277	-0.220	-0.206	-0.404
	(0.335)	(0.362)	(0.365)	(0.364)	(0.479)	(0.319)
Log(Trade)(t-1)	-0.626					
	(5.397)					
Log(FDI Inflows)(t-1)		-0.535				
		(0.526)				
Log(FDI Outflows)(t-1)			-0.192			
			(0.432)			
Log(FDI Total)(t-1)				-0.260		
				(0.338)		
Migrant Stk(t-1)					-0.080	
					(0.531)	
Log(Mig Inflows)(t-1)						1.512
						(1.352)
Social Welfare (t-1)	-0.394	-0.430	-0.439	-0.413	-0.383	-0.448
	(0.313)	(0.308)	(0.317)	(0.312)	(0.308)	(0.363)
GDP(t-1)	0.054	0.060	0.075	0.053	0.048	0.007
	(0.170)	(0.160)	(0.179)	(0.167)	(0.168)	(0.166)
Unemployment (t-1)	-0.072	-0.132	-0.060	-0.124	-0.082	0.024
	(0.172)	(0.161)	(0.176)	(0.164)	(0.203)	(0.286)
Eff. No. Parties	-2.978**	-2.962*	-2.873*	-2.975*	-2.958**	-2.407*
	(1.483)	(1.559)	(1.499)	(1.563)	(1.501)	(1.373)
Gini (t-1)	-0.070	0.045	-0.129	0.038	-0.062	-0.347
	(0.724)	(0.667)	(0.662)	(0.664)	(0.662)	(0.706)
Constant	67.868***	60.338***	69.941***	61.532***	63.625***	65.088***
	(16.674)	(12.984)	(14.898)	(13.169)	(18.032)	(17.571)
Global → Deindust.						
Log(Trade)(t-1)	3.772***					
	(1.100)					
Log(FDI Inflows)(t-1)		1.709***				
		(0.609)				
Log(FDI Outflows)(t-1)			0.876			
			(0.689)			
Log(FDI Total)(t-1)				0.816		
				(0.616)		
Migrant Stk(t-1)					0.322***	
					(0.055)	
Log(Mig Inflows)(t-1)						-0.540
						(0.686)
GDP(t-1)	-0.355**	-0.351**	-0.338*	-0.331*	-0.229	-0.325
	(0.161)	(0.163)	(0.202)	(0.196)	(0.189)	(0.245)
Constant	59.052***	73.097***	73.906***	73.707***	71.332***	81.029***
	(4.922)	(1.262)	(1.290)	(1.465)	(1.195)	(7.543)

Table 8: Mainstream Right Parties Vote Share (Indirect & Total Effects) (t-1) (1985-2016)

	Trade	FDI-In	FDI-Out	FDI-Total	MigStock	MigFlow
	b/se	b/se	b/se	b/se	b/se	b/se
Indirect Effect	-0.909	-0.347	-0.243	-0.180	-0.066	0.218
	(1.3279)	(.6416)	(.3883)	(.3372)	(.1544)	(.3088)
Total Effect	-1.535	-0.882	-0.435	-0.440	-0.146	1.730
	(5.481)	(.9785)	(.6273)	(.5693)	(.4472)	(1.2762)
N	199	191	194	189	197	174