# The missing link - Assessing state redistribution capacity to understand the relationship between economic inequality and support for European radical right and left parties

### Erick S. Padilla

Barcelona Center for European Studies - Pompeu Fabra University erickstivens.padilla@upf.edu

ORCID: 0000-0002-5490-8079

### **Ioel Cantó**

Barcelona Center for European Studies -Pompeu Fabra University joel.canto@upf.edu

ORCID: 0000-0003-2469-1726

# Javier Arregui

Barcelona Center for European Studies - Pompeu Fabra University javier.arregui@upf.edu

ORCID: 0000-0002-1149-7150



Received: 01/01/2023 Accepted: 24/01/2023 Published: 31/01/2023

Recommended citation: PADILLA, E.S., CANTÓ, J. & ARREGUI, J. (2023). "The missing link. Assessing State redistribution capacity to understand the relationship between economic inequality and support for European radical right and left parties". Quaderns IEE: Revista de l'Institut d'Estudis Europeus, 2(1), 3-24. DOI:<a href="https://doi.org/10.5565/rev/10.5565/rev/quadernsiee.50">https://doi.org/10.5565/rev/10.5565/rev/quadernsiee.50</a>

### **Abstract**

Income inequality is a major driver of the growth of radical parties on both the left and right, as it exacerbates citizens' economic insecurities. However, few studies have explored how welfare policies from Member states of the European Union (EU) can help reduce these economic grievances by containing income inequalities thereby affecting the support towards radical alternatives. In this article, we aim to understand how redistribution affects radical support. We argue that redistribution policies reduce the economic insecurities caused by income inequalities, and thus, the electoral support for radical political platforms is also reduced. To test this hypothesis, we performed multinomial regression models using the European Social Survey data from 17 countries over a period of more than a decade. Our findings reveal that redistribution reduces radical voting, but only for the radical right. We contribute to

the literature on welfare policies and radical support by looking at the main welfare policy outcome: redistribution. Our results highlight the importance of redistributive policies in reducing radical right support in the EU, providing valuable insights for policymaking at the European level.

**Keywords**: Welfare policies; Welfare state; Redistribution; Radical right; Radical left.

**Resumen.** El eslabón perdido - La capacidad redistributiva del Estado para entender la relación entre desigualdad económica y apoyo a partidos populistas en Europa

La desigualdad económica es un factor fundamental que impulsa el crecimiento de los partidos populistas de izquierda y derecha radical, ya que fomenta la inseguridad económica de los ciudadanos. Sin embargo, pocos estudios han explorado cómo las políticas de bienestar de los Estados miembros de la Unión Europea (UE) pueden reducir los agravios económicos creados por las crecientes desigualdades, afectando así al apoyo a plataformas radicales. En este artículo, pretendemos entender cómo la redistribución condiciona el apoyo a estos partidos radicales. Nuestro argumento consiste en que las políticas de redistribución reducen las inseguridades económicas fomentadas por la desigualdad y, en consecuencia, disminuyen el apoyo electoral a los partidos populistas radicales de izquierda y derecha. Para evaluar estas hipótesis, realizamos modelos de regresión multinominal, utilizando datos de la Encuesta Social Europea (European Social Survey) de 17 países durante más de una década. Nuestros hallazgos señalan que la redistribución reduce el voto a la derecha radical. Contribuimos a la literatura sobre las políticas de bienestar y el apoyo a los partidos radicales analizando el principal resultado de las políticas de bienestar: la redistribución. Nuestros resultados ponen de manifiesto la importancia de las políticas redistributivas para reducir el apoyo a la derecha radical en la UE, por lo que contienen una valiosa aportación para la elaboración de políticas públicas a nivel europeo.

**Palabras clave:** Políticas de bienestar; Estado de bienestar; Redistribución; Derecha radical; Izquierda radical.

**Resum.** La baula perduda - La capacitat redistributiva de l'Estat per entendre la relació entre desigualtat econòmica i suport a partits populistes a Europa

La desigualtat econòmica és un factor fonamental que impulsa el creixement dels partits populistes d'esquerra i de dreta radical, ja que fomenta la inseguretat econòmica dels ciutadans. Tot i això, pocs estudis han explorat com les polítiques de benestar dels Estats membres de la Unió Europea (UE) poden reduir els greuges econòmics creats per les creixents desigualtats, afectant així el suport a plataformes radicals. En aquest article, pretenem entendre com la redistribució condiciona el

suport a aquests partits radicals. El nostre argument consisteix en la idea que les polítiques de redistribució redueixen les inseguretats econòmiques fomentades per la desigualtat i, en conseqüència, disminueixen el suport electoral als partits populistes radicals d'esquerra i de dreta. Per avaluar aquesta hipòtesi, realitzem models de regressió multinominal, utilitzant dades de l'Enquesta Social Europea (*European Social Survey*) de 17 països durant més d'una dècada. Les nostres troballes assenyalen que la redistribució redueix el vot a la dreta radical. Contribuïm a la literatura sobre les polítiques de benestar i el suport als partits radicals analitzant el principal resultat de les polítiques de benestar: la redistribució. Els nostres resultats posen de manifest la importància de les polítiques redistributives per a reduir el suport a la dreta radical a la UE, per la qual cosa contenen una valuosa aportació per a l'elaboració de polítiques públiques a escala europea.

**Paraules clau:** Polítiques de benestar; Estat de benestar; Redistribució; Dreta Radical; Esquerra radical.

#### **Summary**

- 1. Introduction
- 2. Theoretical framework
- 3. Data, operationalisation and methods
- 4. Results
- 5. Discussion and conclusion
- 6. Funding statement
- 7. References

#### 1. INTRODUCTION

In the last decades, the European Union (EU) has confronted several challenges that have seriously casted doubt on its legitimacy and public support. Throughout Europe, new radical parties on both the left and right sides of the political aisle have questioned the pace of European integration and its effects on domestic politics. Despite relevant differences between the radical right and the radical left political platforms, euroscepticism has been a cornerstone of their projects (Betz, 1994; Bustikova, 2018; Damiani, 2022; Ignazi, 2003; Mudde, 2007; Norris, 2005; Rooduijn, 2018; Rydgren, 2018). As Arregui argues (2021, p. 26) the creation of the EU Single Market has not offered a sufficient basis to build an integration process for all European citizens. This is so, basically, because the benefits of European integration are being distributed very unevenly between different social groups. In this vein, growing inequalities have been signalled as one of the catalysts of the rise of these platforms (Engler & Weisstanner, 2021; Gidron & Hall, 2017, 2020; Han, 2016; Kurer, 2020; Ramaekers et al., 2022; Rooduijn & Burgoon, 2018; Stoetzer et al., 2021). Overall, the study of the inequalities has proved critical to understand how macro factors condition the strength of these radical options.

Although the literature substantially explores the positive relationship between inequality and radical support (Engler & Weisstanner, 2021; Gidron & Hall, 2017, 2020; Han, 2016; Kurer, 2020; Ramaekers et al., 2022; Rooduijn & Burgoon, 2018; Stoetzer et al., 2021), we still do not know how redistribution policies condition the growth of radical parties. Several studies show that the increase in inequalities fosters radical support due to the macroeconomic context created and reflected by the inequality increase (Betz, 1994; Engler & Weisstanner, 2021; Kurer, 2020; Ramaekers et al., 2022). On the one hand, inequality worsens the material conditions of most citizens. Also, inequality downgrades the economic perspectives of individuals. Ultimately, inequality fosters economic insecurity and fuels radical support among the more disfavoured social strata.

Our argument defends that redistribution should reduce the support for radical parties because it improves both the subjective sense of economic security and the citizens' economic situation. If the welfare state is capable of substantially reducing market inequality, our expectation is that mainstream parties (Conservatives, Socialists and Regionalists) will maintain the share of the electorate most vulnerable to globalisation. Previous studies have demonstrated that generous welfare policies can reduce radical right support, such as high unemployment benefits (Halikiopoulou & Vlandas, 2016; Swank & Betz, 2003, 2018; Vlandas & Halikiopoulou, 2022). However, these studies do not test the main policy outcome of the welfare state, that is, the redistribution of wealth; furthermore, they are solely focused on its impact on radical right parties.

In this paper, we contribute to this debate by analysing the redistribution effect on both kinds of radical parties' support, radical right and radical left, thus tackling the research puzzle of redistribution and voting to radical platforms. We test our claim using the *European Social Survey (ESS)* data from 2002 to 2018 across 17 countries with a sample of 78.582 observations.<sup>1</sup> Our research design consists of multinomial logistic regression models that capture the individual vote towards different party families. Contrary to our expectations, our results indicate that higher redistribution spending only reduces support for the radical right, with a non-significant effect for the radical left.

This research paper entails several implications. The most salient one is the efficiency of redistribution policies to reduce radical right support, and thus, euroscepticism. Rather than income inequality, our study finds that redistribution is more determinant to understanding the pattern of voting to the radical right in Europe. Consequently, our results speak about the need for EU policies to incorporate the redistribution element as a critical component. Distribution and social regulation policies alone will not contribute to bringing down market inequality and leaving redistribution in the hands of the Member states is a risky gamble for the future of European integration. We further develop the implications of our research in the Discussion & Conclusions section.

This article develops as follows. Section 1 presents our theoretical framework; we conceptualise the impact of redistribution on radical support based on the studies about inequality and radical support and the economic insecurity theory, and then we formulate our argument about redistribution and support for Eurosceptic, radical parties. Next, we describe our data, operationalisation, and methods in Section 2. Section 3 presents our results. Section 4 discusses our findings and their implications, and we provide some insights for further research.

-

<sup>&</sup>lt;sup>1</sup> ESS Data Portal: <a href="https://ess-search.nsd.no/">https://ess-search.nsd.no/</a>

### 2. THEORETICAL FRAMEWORK

Several theories explain the growth of radical parties on the left and right spectrum as a consequence of the globalisation, and economic modernisation process that European countries have undergone during the last decades (Kriesi et al., 2008). Those citizens that have been "left behind" during these processes have opted for radical parties. The theory of the losers and winners of globalisation is based on the consequences that the economic integration process has brought about in the old continent. The rising inequalities, the deindustrialisation and the loss of many manual jobs are fostering the expansion of radical parties across Europe. Among these consequences, there is one that stands out above the rest, income inequality growth.

# 2.1. Inequality and radical support

Several studies have shown that radical right parties tend to be more supported by low-income groups, routinary workers and the unemployed (Engler & Weisstanner, 2021; Han, 2016; Kurer, 2020; Rooduijn & Burgoon, 2018). There is clear evidence that income matters to explain radical left support as well. These same groups – low-income, low occupational status and unemployed people – are more likely to vote for radical left parties (Ramaekers et al., 2022; Rooduijn, 2018; Visser et al., 2014). The main explanation for this link between low income and radical voting is based on economic insecurity. In other words, those groups more threatened by the economic transformations vote for radical parties as they embody the economic losers of globalisation (Mudde & Rovira, 2018).

However, individual-level income inequalities are not the only factor that explains the radical growth. Instead, the role played by macroeconomics inequality is more relevant. Several studies introduce income inequality at the macroeconomic level to test its effects on radical support. The findings of these studies underline that income inequality increases radical support (Gidron & Hall, 2017, 2020; Kurer, 2020; Ramaekers et al., 2022; Rooduijn & Burgoon, 2018; Stoetzer et al., 2021), particularly among the lower and middle classes (Engler & Weisstanner, 2021; Han 2016). There are several explanations for this positive relationship between inequality and radical support. Although there is no consensus on the causal mechanism that explains this relationship, these explanations are not exclusive, but rather complementary (Stoetzer et al., 2021). Stoetzer et al. (2021) summarise four different explanations of voting for radical platforms: (1) social identity, (2) social integration, (3) trust in political elites, and (4) economic insecurities.

First, Han (2016) finds that the increase in inequalities does not have the same effect on radical right support among different socio-economic groups. He proves that the rising of inequalities only increases the support for radical right parties among the poorer social strata, but not among the more well-being population. He explains that the increase in inequalities fosters poor people to turn to a stronger national identity

to improve their status, as their status in economic terms is worsening (Han, 2016). Therefore, macroeconomic inequality becomes a driver of nationalism. This causal mechanism is useful to explain radical right voting as the demand side increases its demands of nationalism, the core of radical right ideology (Akkerman et al., 2016; Betz, 1994; Mudde, 2007; Rydgren, 2018; Tamir, 2018). Nonetheless, this explanation cannot be expanded to explain radical left support (Damiani, 2022).

The second mechanism that Stoetzer et al. (2021) mention is social integration. Voters of radical parties are usually socially marginalised citizens. Social marginalisation consists in the feeling of some individuals being "pushed to the fringes of their national community and deprived of the roles and respect normally accorded to full members of it" (Gidron & Hall, 2020, p. 1028). Since inequalities increase the feelings of deprivation among the population of EU countries, radical parties appeal to their status concerns to maximise their electoral payoff. Not only does social marginalisation foster radical support, but it also plays an important role in explaining the erosion of mainstream parties (Gidron & Hall, 2017, 2020).

Thirdly, the literature demonstrates that the populist feature of radical platforms is a critical element to explain their staggering success. Drawing on Cas Mudde's (2007, p. 23) seminal definition, populism is a "thin-centred ideology that considers society to be ultimately separated into two homogeneous and antagonistic groups, the pure people versus the corrupt elite." In empirical terms, radical parties capture individuals that are more distrustful of political elites and institutions, as they consider them part of the corrupt elites signalled in Mudde's definition (Rooduijn, 2018). In relation to our central argument, inequality engenders distrust in the political elites and institutions among the population (Uslaner, 2017). In such a context, the populist discourse of radical parties is more electorally fruitful.

The last relevant explanation signals the role of economic insecurities to explain vote towards both radical right and radical left platforms (Engler & Weisstanner, 2021; Kurer, 2020; Ramaekers et al., 2022; Visser et al., 2014). Relative deprivation theory affirms that the growing inequalities are transformed into a larger population who feel left behind (Betz, 1994). This feeling fosters the likelihood of people to vote for radical parties. In this vein, Kurer (2020) and Engler and Weisstanner (2021) prove that higher inequality fuels radical right support, particularly among lower-middle classes. Inequality does not only worsen the relative material conditions of most of the population, but it also increases the uncertainty of the short and middle-term economic perspectives.

Although the literature finds a positive relationship between inequality and the radical right support, we cannot affirm the same in the case of the inequality' effect on radical left voting. Critically, Ramaekers et al. (2022) show that income inequality increases radical left vote through dissatisfaction with the inequality. The dissatisfaction with inequality works as a mediator. Higher income inequality levels increase the voters' dissatisfaction with inequality, and this increases the radical left vote. This explanation is strongly supported by the fact that radical left voters tend to have a strong position in favour of inequality reduction policies. However, Visser et al.

(2014) findings go in the opposite direction, as they prove that more pronounced inequality levels reduce the likelihood of an individual supporting the radical left (Visser et al., 2014, p. 554). In this scenario, our expectations go in the same direction as Ramaekers et al. (2022): radical left support should increase when the inequality levels are higher.

# 2.2. Redistribution and radical support

Despite the considerable literature about inequality and radical support, we do not know too much about how the state redistribution capacity can reduce radical support or can, even, modify the positive relationship between inequality and radical vote. This is quite surprising considering that state redistribution is the intervening factor between market inequality and factual inequality reported in most indices (i.e. Gini index Disposable<sup>2</sup>). To the best of our knowledge, there are just a few papers that address this question by looking at the welfare states' main policies. The main limitation of these studies is that they are only focused on radical right parties (Rathgeb & Busemeyer, 2022). Therefore, there is a research puzzle about the effect of redistribution policies on all radical parties, particularly on radical left parties.

The studies that explore the welfare policies' effects on the radical right parties (RRWP) have found interesting evidence that points out that welfare policies can reduce radical support and modify the positive relationship between inequality and radical voting. Swank and Betz (2003) find that generous, universal welfare states can reduce the support for radical right parties. They also find that employment protection laws and encompassing, centralised union movements mitigate the positive effects of economic globalisation and immigration on radical right voting (Swank & Betz, 2018). Their main argument is based on the fact that "a social policy configuration of comprehensive coverage, a generous social wage and well-developed active labour market policy will tend to depress the vote for RRWP parties and weaken the linkage between internationalization and RRWP party support" (Swank & Betz, 2003, p. 225). Social policies are able not only to reduce radical right support, but also to weaken the link between the worsening economic situation carried out by globalisation and radical right growth.

More recent studies also find that particular social policies can reduce radical right support. For instance, Halikiopoulou and Vlandas (2016) focus on the positive effects of unemployment on radical right support. The increase in the unemployment rate is translated into strength of the radical right political forces. However, they find that this positive relationship disappears when unemployment benefits are high. Their findings go further, and they also prove that social policies reduce the support for radical right parties among different high social-risk groups such as unemployed people or low-income workers among others (Vlandas & Halikiopoulou 2022). The

<sup>&</sup>lt;sup>2</sup> Gini index (The World Bank): <a href="https://data.worldbank.org/indicator/SI.POV.GINI">https://data.worldbank.org/indicator/SI.POV.GINI</a>

economic factors that increase radical right support are mitigated by social policies breaking the connection between these two elements. In other words, welfare policies alleviate the economic insecurities that income inequality fosters, thus containing those grievances that are translated into far-right party support (*Ibid*).

Although these papers point out that welfare policies have an impact on the radical vote and the positive effect of inequality and radical support, they do not test how the outcome itself —redistribution— of these welfare policies affects the radical vote. If the social policies can decrease radical support themself, we should expect that a good implementation of them —which will be translated into the decreasing of inequalities— could have an even greater impact on radical support. These studies also present another limitation that we want to overcome; they only explain the radical right's support. However, the relationship between radical left parties and inequalities is the same as for radical right parties (Ramaekers et al., 2022). Inequalities foster both kinds of radical support. Therefore, we should expect that redistribution reduces the support for both radical right and radical left parties. In summary, our contribution is focused on the main welfare policy outcome —redistribution— to explain the radical vote, considering both radical right and radical left parties. We expect that:

- H1a: When the states' redistribution capacity increases, the support for radical right parties decreases.
- H1b: When the states' redistribution capacity increases, the support for radical left parties decreases.

### 3. DATA, OPERATIONALISATION AND METHODS

# 3.1. Data

To test our hypothesis, we draw on data from the European Social Survey (ESS) between 2004 and 2018. Our analysis relies on seven European Social Survey rounds; ESS 1 to ESS4 and ESS6 to ESS9. We select different countries both in Western and Eastern post-communist Europe based on two criteria. First, we choose countries where radical parties have increased their share of votes substantially. Second, we try to include countries in which we have the maximum rounds available in the *European Social Survey(ESS)* to capture different national elections in time. Still, our data presents some round gaps for six countries. For instance, for Austria, there is no data in the ESS round 4 to round 6. For Bulgaria and Slovakia, we miss data for rounds 7 and 8. There is no data for the Czech Republic in ESS round 3, and for Denmark we do not have data for ESS round 8. Italy is the country where we find more gaps, we only have three rounds available for Italy which are rounds 6, 8 and 9. Our final dataset consists of seventeen countries, eleven Western, Northern and Southern European democracies and six Central and Eastern European ones. In total, our sample consists of 78,582 observations in the time period spanning from 2004 to 2018.

### 3.2. Operationalisation

The dependent variable is the respondents' self-reported vote in the previous national election measured as a categorical variable. We classified the different parties following the party family scheme (Beyme, 1985; Ware, 2004). We have followed the criteria of the *Chapel Hill Expert Survey (CHES)*<sup>3</sup> to award each party to each party family (Bakker et al., 2015, 2021). It is necessary to underline that we have categorised the radical right and radical left in different categories following the authors that defend the not aggregation of these parties inside a broader label such as radical parties or populist parties (Rooduijn, 2018). After introducing the categories of the *CHES*, we have recorded the party families in fewer categories to perform our analysis better. Our final party family categories are Radical Left, Radical Right, Greens, Liberal, Others and Mainstream parties, which include Conservatives, Christian-Democrats, Socialists and Regionalists. We have opted not to create dummy variables to not lose information in the analysis.

Our independent variables are measured at the macro level. We use the *Standardised World Income Inequality Database (SWIID)*<sup>4</sup> (Solt, 2020). We measure income inequality using the *Gini index*. We consider two different *Gini indexes*. The first one is the *Gini market index*, which captures the inequality given by the household market income (before taxes and transfers). The second one is the *Gini disposable index*, which shows the inequality after taxes and transfers, the final household disposable income. To measure the redistribution capacity of the State, we calculate the difference between the *Gini market* and *Gini disposable income*, the result captures how much the income inequality is reduced due to taxes and transfers.

We also introduce other variables that could explain the vote to radical parties at the individual level. The set of controls includes the income level of respondents in quintiles, the subjective assessment of their economic situation, ideology, age, age squared, education years and a dummy for gender. We also include a continuous variable that captures the support for European integration. We control at the country level by adding dummy controls for the year of the survey wave and countries included in the analysis.

Following the example of Rooduijn & Burgoon (2018), we measure attitudes towards immigration by constructing a scale of three variables from the following *ESS* questions: (1) "Would you say it is generally bad or good for [country]'s economy that people come to live here from other countries?"; (2) "Would you say that [country]'s cultural life is generally undermined or enriched by people coming to live here from other countries?"; and (3) "Is [country] made a worse or a better place to live by people coming to live here from other countries?". The final variable is the mean of these three questions on a scale from 0 to 10, where 0 represents the strongest anti-immigration attitude and 10 is the friendliest one. The high score of the Cronbach's Alpha is above

<sup>&</sup>lt;sup>3</sup> Chapel Hill Expert Survey: <a href="https://www.chesdata.eu/">https://www.chesdata.eu/</a>

<sup>&</sup>lt;sup>4</sup> Standardized World Income Inequality Database: <a href="https://fsolt.org/swiid/">https://fsolt.org/swiid/</a>

the threshold of 0.8 and close to the excellent figure of 0.9 (Cronbach's alpha = .85), thus reinforcing the fitness of the scale.

#### 3.3. Methods

The empirical analysis is based on multinomial logistic regression models that analyse the individual-level and contextual factors behind the vote for a particular party family. Previous studies that explore the relationship between inequality and radical support or welfare policies and radical right support are based on binary logistic models (Engler & Weisstanner, 2021; Gidron & Hall, 2017, 2020; Halikiopoulou & Vlandas, 2016; Han, 2016; Kurer, 2020; Ramaekers et al., 2022; Rooduijn & Burgoon, 2018; Stoetzer et al., 2021; Swank & Betz, 2018, 2003; Visser et al., 2014; Vlandas & Halikiopoulou, 2022). This strategy is problematic because it subsumes distinct political families in a mixed bag, thus putting together voters with diverging and even antagonistic sociodemographic and socio-political features.

Some studies try to solve this problem by excluding radical right or radical left parties from the analysis. However, this strategy is not the most optimal option as it makes it impossible to capture the differences between radical parties themselves. Therefore, our empirical strategy represents a clear innovation compared to previous studies while also improving the robustness and cogency of the analysis and the argument, respectively. We opt for excluding the respondents that report that they did not or could not vote in the previous election, as well as those individuals who declared to have abstained and/or voted blank or invalid.

Our models take the mainstream parties as base reference. Hence, the logged odds coefficient of each variable reflects the differences in probability between voting for the mainstream parties, and the particular party family analysed. To improve the models, we also include population and post-stratification weights and robust standard errors at the individual level. As the differences between countries are not explained in our models, we introduce fixed effects for country and year.

#### 4. RESULTS

Table 1 presents the coefficients of our multinomial regression models. We have three models in this table. The first model includes the *Gini index* before taxes and transfers. In the second model, we add the redistribution variable. Finally, we present a third model in which the independent variable is the *Gini index* after taxes and transfers. Then considering the inequalities after the state redistribution policies. Our results provide robust evidence of the inverse relationship between redistribution and radical right vote (Hypothesis 1a). One unit increase in the redistribution capacity of States to address market inequality makes individuals 0.503 times (the relative-risk-ratio equivalent of the logged coefficient) more likely to choose the radical right instead of

mainstream parties (Model 2, p-value < 0.001). On the other hand, one additional unit of reduction of inequality due to redistribution makes mainstream parties 1.44 times more attractive than radical right alternative *ceteris paribus* (Model 2, p-value < 0.01). Altogether, we find strong statistical evidence in support of Hypothesis 1a.

Figure 2 illustrates the inverse relationship between inequality, redistribution, and electoral support for radical right parties. Radical right parties progress when inequality increases, but their appeal is strongly constrained by the redistribution capacity of countries. The comparison of average marginal effects of redistribution capacity (Figure 1) and *Gini Index* pre-tax and transfers (Figure 3) respectively reveals that low redistribution is more relevant than higher market inequality to increase the propensity to vote for radical right parties. Conversely, we do not find evidence to back Hypothesis 1b regarding redistribution and radical left support. As in previous studies, we find that the stronger the inequality, the more votes to the radical left (Model 1, p-value < 0.001) (Ramaekers et al., 2022). Still, the statistical significance of inequality disappears as we introduce redistribution as an independent variable.

Model 3 reinforces the validity of our model. Higher-income inequality after taxes and transfers increases the support for radical right parties in comparison to mainstream parties (p-value < 0.001). The coefficient is similar to the market inequality coefficient when controlling for redistribution (Model 2). As in the previous model, the coefficient of inequality is positive for radical left parties, but it fails again to achieve statistical significance (see Figure 4).

All control variables go in the expected direction according to previous theoretical and empirical accounts. In comparison to the poorest quintile of the population, the richest segment of individuals is 0.67 and 0.51 times more likely to favour the radical right and radical left (Model 2, p-value < 0.001), respectively, over mainstream parties. Results of objective income and the perception of their personal economic situation go in line with previous studies that underscore the relevance of economic grievances to explain the vote for the radical left and the radical right, but with income needs more associated with the former political family. Besides, political attitudes and sociodemographic variables also fit our expectations about the different ideological and social compositions of the electoral bases of challenger parties, as well as their attitudes towards European integration.

**Table 1. Multinomial regression models** 

Mainstream parties (Bas	e reference) (1) R. Right	(1) R. Left (2) R. R	ight (2) R. Left		(3) R. Right	(3) R. Left	
Independent variables							
Gini (After tax and transfers)					.324*** (.033)	.034 (.039)	
Gini (Pre-tax and transfers)	007 (.021)	.091*** (.023)	.366*** (.034)	.039 (.039)			
Redistribution (Taxes & Transfers)			686*** (.052)	.071 (.054)			
<b>Control variables</b> Personal income (1st quintile)							
• 2nd quintile	006 (.081)	152+ (.083)	.0002 (.080)	153+ (.083)	017 (.080)	149+(.083)	
• 3rd quintile	035 (.083)	244** (.082)	037 (.083)	247** (.082)	017 (.082)	251** (.082)	
4th quintile	003 (.088)	409*** (.087)	016 (.089)	415*** (.087)	.059 (.087)	420***(.087)	
• 5th quintile	288** (.097)	628*** (.097)	307** (.097)	634*** (.097)	219*(.096)	635***(.096)	
Subjective income situation (Living comfortably on present income)							
<ul><li>Coping</li></ul>	.199*** (.061)	.247*** (.057)	.207*** (.060)	.243*** (.057)	.246*** (.062)	.250*** (.057	
<ul> <li>Difficult</li> </ul>	.433*** (.086)	.433*** (.084)	.446*** (.086)	.428*** (.085)	.451*** (.086)	.441*** (.085	
<ul> <li>Very difficult</li> </ul>	.179 (.144)	.584*** (.131)	.212 (.147)	.577*** (.131)	.256+ (.145)	.598*** (.131	
Ideology	.348*** (.011)	486*** (.012)	.348*** (.011)	486*** (.012)	.345*** (.011)	485*** (.012	
<b>EU Integration Support</b>	130*** (.010)	053*** (.009)	132*** (.010)	053*** (.009)	133*** (.010)	054*** (.009	
Immigration attitudes	267*** (.013)	.062*** (.013)	265*** (.013)	.061*** (.013)	268*** (.013)	.062*** (.013	
Education	045*** (.007)	.028*** (.006)	042*** (.007)	.028*** (.006)	045*** (.007)	.029*** (.006	
Female	313*** (.047)	224*** (.045)	307*** (.045)	225*** (.045)	305*** (.046)	226*** (.045	
Age	.027*** (.008)	0004 (.009)	.026*** (.008)	0004 (.009)	.026*** (.008)	.0004 (.009)	
Age Sq.	0004*** (.0001)	0001 (.0001)	0004*** (.0001)	0001 (.0001)	0004*** (.0001)	0001 (.0002	
Constant	-3.16** (1.11)	-6.70*** (1.12)	-6.78*** (1.10)	-5.69*** (1.16)	-12.59*** (.986)	-3.34** (1.07)	
N	78,582		78,582		78,582		
Log-likelihood	-76040.14		-75731.92		-76196.17		
Pseudo R2	0.2804		0.283	0.2833		0.2789	

Country and time fixed-effect controls not included. Robust S.E. clustered at the unit level statistics in parentheses. Greens, Liberal and Other categories not included in the model. p < 0.10, \* p < 0.05, \*\* p < 0.01, \*\*\* p < 0.01

Figure 1. Marginal effects of redistribution on voting for specific political families

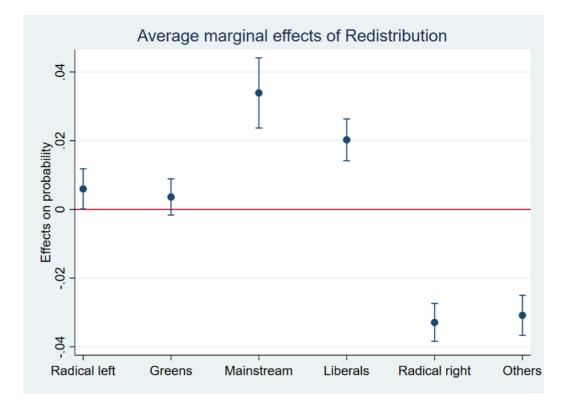


Figure 2. Predicted probability of vote towards the radical right

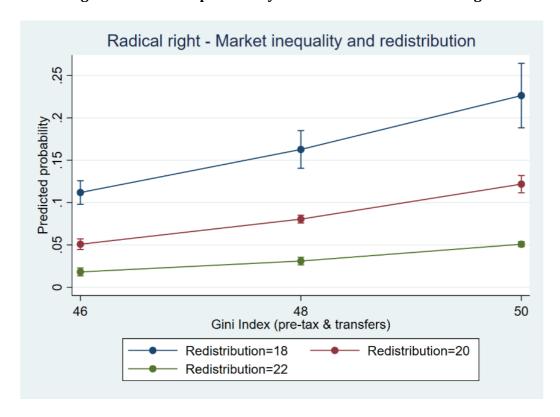


Figure 3. Average marginal effects of Gini Index (pre-tax and transfers)

Table 2 summarises the average marginal effects of inequality and redistribution across party families. These predicted probabilities contribute to reinforcing the strength of Hypothesis 1a linking higher redistribution with lower support for the radical right. In the opposite direction, average marginal effects surprisingly show a positive relationship between redistribution and support for radical left parties (p-level < 0.05). Overall, individuals are .033 percentage points less likely to vote for the radical right for every additional unit reduction of market inequality. For every unitary increase in both market inequality and redistribution, the vote to the radical right is expected to decrease by 0.16 percentage points. Therefore, the net effect of *Gini inequality* minus redistribution is positive: redistribution is a powerful tool to reduce the appeal of radical right platforms.

Table 2. Average marginal effects of inequality and redistribution across party families

	Gini Market (1)	Gini Market (2)	Redistribution (2)	Gini disponible (3)
Radical left	.004*** (.001)	.0004 (.002)	.006* (.003)	.0007 (.002)
Greens	.0001 (.002)	003 (.003)	.004 (.003)	003 (.002)
Mainstream	007** (.003)	027*** (.004)	.034*** (.005)	020*** (.003)
Liberals	.017*** (.001)	.008*** (.002)	.020*** (.003)	.009*** (.002)
Radical right	00009 (.001)	.017*** (.001)	033*** (.003)	.016*** (.002)
Others	015*** (.001)	.004+ (.002)	031*** (.003)	003 (.002)

<sup>+</sup> p < 0.10, \* p < 0.05, \*\* p < 0.01, \*\*\* p < 0.001

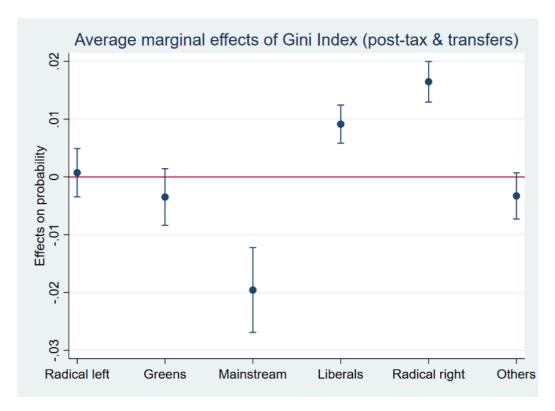


Figure 4. Average marginal effects of Gini Index (post-tax and transfers)

# 5. DISCUSSION AND CONCLUSION

Does redistribution fend off radical parties in Europe? In this research paper, we have introduced novel theoretical and empirical insights into the study of inequality and radical right and left parties via the relevance of the redistribution capacity of Member states in the EU. In fact, as Arregui (2022, p. 276) shows, the EU is rather efficient on imposing top-down policies to EU Member states, including macroeconomic and social policies, which have a direct impact on the increasing inequalities among groups of citizens within Member states. Radical right parties benefit from rising income inequality, but the impact of redistribution largely restricts the success of such political platforms. Redistribution becomes particularly important for the strength of mainstream parties in multidimensional systems, which can be used to prevent their electoral bases from feeling attracted to more radical right alternatives through the delivery of redistributive public policies. Conversely, we find little evidence of redistribution negatively affecting the vote of radical left parties. A potential reason for this finding could be that support for the radical left is driven by the perception of inequality. Radical left supporters are strongly against inequality and in favour of redistributive policies (Ramaekers et al., 2022; Visser et al., 2014). Therefore, radical left parties could be more successful in political culture that favour such redistributive policies.

Adding to previous work on inequality and support for radical political options, we theoretically introduce the relevance of state redistribution as a crucial dimension to understanding rising inequality's impact on voting behaviour. Going beyond the analysis of certain welfare policies (Halikiopoulou & Vlandas, 2016; Swank & Betz, 2003, 2018; Vlandas & Halikiopoulou, 2022), we theorise the relevance of the main welfare policies' outcome, redistribution. Our paper does not just contribute to explaining better the relationship between inequality and radical support and the welfare policies and radical support, but it also points out the relevance of the policy outcome itself to analyse how redistribution impacts radical vote and the relationship between inequality, welfare policies and radical vote.

Methodologically, our research framework presents strong external and internal validity. Across more than ten years and 17 EU countries, we improve previous research designs in the literature of inequality and radical party support differentiating between several political families and going beyond binary operationalisations that led to poorer explanatory power and less robust explanations. Therefore, our contribution is not just theoretical, but it is also empirical and methodological. Further research should bear in mind the robustness of the multinomial operationalisation.

Our findings present several implications. The most salient one is the proven efficiency of redistribution in decreasing radical right support. Both the Member states and the EU should consider that further investment in redistributive policies would be translated into a decrease in radicalism. This is highly relevant insofar as the procedural legitimacy model in the EU has been based so far on very qualified majorities. This model is clearly inadequate for the EU context. The EU should be more focused on strengthening legitimacy based on the political results produced by EU policies (Arregui, 2012; Scharp, 1999). This would reduce inequalities in the EU. Dellmuth and Chalmers (2018) affirm that redistribution policies are the most effective investment strategy to induce positive attitudes towards the EU linked with European Structural and Investment Funds. In consonance with this evidence, we prove that these policies are effective in reducing radicalism support. Therefore, the EU should consider expanding its redistributive capacity as a main tool of the forthcoming integration processes.

Further research should explore the impact of specific policies that contribute to reducing equality from the market, such as education or health. Uncovering the specific redistributive policies that reduce radical support is the next step to understanding the power of redistribution to maintain the stability of European democracies and the persistence of the European integration project. Future studies should also consider particular outcomes of the different redistributive policies to test which ways of implementation is best to reduce one of the most salient threats to the European democracies in this century.

### 6. FUNDING STATEMENT

This work was supported by the Spanish Ministry Science and Research under Grant PID2020-119716GB-I00; it was also supported by the Erasmus+ programme of the European Union under Grants 101085465 - BACES and 101047889 - EU-GOV (Jean Monnet Chair in European Governance).

#### 7. REFERENCES

- Akkerman, T., Lange, S. de, & Rooduijn, M. (2016). Inclusion and mainstreaming? Radical Right-wing parties in the new millennium. In: Akkerman, T., Lange, S. de, & Rooduijn, M. (Eds.), Radical Right-Wing Populist Parties in Western Europe. *Into the Mainstream?*, pp. 1–28. Routledge.
- Arregui, J. (2012). Problemas de legitimidad democrática y rendimiento de cuentas en el proceso político de la UE. Cuadernos Europeos de Deusto, 46, 85-112. https://doi.org/10.18543/ced-46-2012pp85-112
- Arregui, J. (2021). Ganadores y perdedores en el proceso de integración: repensando la unión desde una perspectiva de ciudadanía europea. BACES Working Papers Series, 5. https://repositori.upf.edu/handle/10230/49118
- Arregui, J. (2022). The Europeanization of Spanish public policies: new patterns of governance? In: Arregui, J. (Ed.), Europeanization of Public Policies in Spain. *Opportunities and Challenges*, pp. 269-282. McGraw Hill. https://repositori.upf.edu/handle/10230/54208
- Bakker, R., De Vries, C., Edwards, E., Hooghe, L., Jolly, S., Marks, G., Polk, J., Rovny, J., Steenbergen, M., & Vachudova, A. (2015). Measuring party positions in Europe: The Chapel Hill expert survey trend file, 1999-2010. Party Politics, 21(1), 143-152. https://doi.org/10.1177/1354068812462931
- Bakker, R., Hooghe, L., Jolly, S., Marks, G., Polk, J., Rovny, J., Steenbergen, M., & Vachudova, A. (2021). 1999 – 2019 Chapel Hill Expert Survey Trend File. Robert Schuman Centre for Advanced Studies. https://cadmus.eui.eu/handle/1814/69975
- Betz, H.G. (1994). *Radical Right-Wing Populism in Western Europe*. The Macmillan Press LTD.
- Beyme, K. Von. (1985). *Political Parties in Western Democracies*. Palgrave Macmillan.

- Bustikova, L. (2018). The Radical Right in Eastern Europe. In: Rydgren, J. (Ed.), *The Oxford Handbook of the Radical Right* (p. 798–821). Oxford University Press. <a href="https://doi.org/10.1093/oxfordhb/9780190274559.013.28">https://doi.org/10.1093/oxfordhb/9780190274559.013.28</a>
- Damiani, M. (2022). *Populist Radical Left Parties in Western Europe*. Routledge. <a href="https://doi.org/10.4324/9781351022668">https://doi.org/10.4324/9781351022668</a>
- Dellmuth, L. M., & Chalmers, A. W. (2018). All spending is not equal: European Union public spending, policy feedback and citizens' support for the EU. *European Journal of Political Research*, *57*(1), 3–23. <a href="https://doi.org/10.1111/1475-6765.12215">https://doi.org/10.1111/1475-6765.12215</a>
- Engler, S., & Weisstanner, D. (2021). The threat of social decline: income inequality and radical right support. *Journal of European Public Policy*, *28*(2), 153–173. https://doi.org/10.1080/13501763.2020.1733636
- Gidron, N., & Hall, P. A. (2017). The politics of social status: economic and cultural roots of the populist right. *The British Journal of Sociology*, *68*(S1), S57-S84. <a href="https://doi.org/10.1111/1468-4446.12319">https://doi.org/10.1111/1468-4446.12319</a>
- Gidron, N., & Hall, P. A. (2020). Populism as a problem of social integration. Comparative Political Studies, 53(7), 1027-1059. https://doi.org/10.1177/0010414019879947
- Halikiopoulou, D., & Vlandas, T. (2016). Risks, costs and labour markets: explaining cross-national patterns of far right party success in European Parliament Elections. *Journal of Common Market Studies*, *54*(3), 636–655. <a href="https://doi.org/10.1111/jcms.12310">https://doi.org/10.1111/jcms.12310</a>
- Han, K. J. (2016). Income inequality and voting for radical right-wing parties. *Electoral Studies*, 42, 54–64. <a href="https://doi.org/10.1016/j.electstud.2016.02.001">https://doi.org/10.1016/j.electstud.2016.02.001</a>
- Ignazi, P. (2003). *Extreme Right Parties in Western Europe*. Oxford University Press. https://doi.org/10.1093/0198293259.001.0001
- Kriesi, H., Grande, E., Lachat, R., Dolezal, M., Bornschier, S., & Frey, T. (2008). *West European politics in the age of globalization*. Cambridge University Press. <a href="https://doi.org/10.1017/CB09780511790720">https://doi.org/10.1017/CB09780511790720</a>
- Kurer, T. (2020). The declining middle: occupational change, social status, and the populist right. Comparative *Political Studies*, *53*(10–11), 1798–1835. https://doi.org/10.1177/001041402091228

Mudde, C. (2007). *Populist radical right parties in Europe*. Cambridge University Press. <a href="https://doi.org/10.1017/CB09780511492037">https://doi.org/10.1017/CB09780511492037</a>

- Mudde, C., & Rovira, C. (2018). Studying populism in comparative perspective: reflections on the contemporary and future research agenda. *Comparative Political Studies*, *51*(13), 1667–1693. <a href="https://doi.org/10.1177/0010414018789490">https://doi.org/10.1177/0010414018789490</a>
- Norris, P. (2005). *Radical right. Voters and parties in the electoral market*. Cambridge University Press. <a href="https://doi.org/10.1017/CB09780511615955">https://doi.org/10.1017/CB09780511615955</a>
- Ramaekers, M., Karremans, T., Lubbers, M., & Visser, M. (2022). Social class, economic and political grievances and radical left voting. The role of macroeconomic performance. *European Societies*, pp. 1–24. <a href="https://doi.org/10.1080/14616696.2022.2127829">https://doi.org/10.1080/14616696.2022.2127829</a>
- Rathgeb, P., & Busemeyer, M. R. (2022). How to study the populist radical right and the welfare state? *West European Politics*, *45*(1), 1–23. https://doi.org/10.1080/01402382.2021.1925421
- Rooduijn, M. (2018). What unites the voter bases of populist parties? Comparing the electorates of 15 populist parties. *European Political Science Review*, *10*(3), 351–368. <a href="https://doi.org/10.1017/S1755773917000145">https://doi.org/10.1017/S1755773917000145</a>
- Rooduijn, M., & Burgoon, B. (2018). The paradox of well-being: Do unfavorable socioeconomic and sociocultural contexts deepen or dampen radical left and right voting among the less well-off? *Comparative Political Studies*, *51*(13), 1720–1753. <a href="https://doi.org/10.1177/0010414017720">https://doi.org/10.1177/0010414017720</a>
- Rydgren, J. (2018). The radical right: an introduction. In: Rydgren, J. (Ed.). *The Oxford Handbook of the Radical Right*, pp. 23–39. Oxford University Press.
- Scharpf, F. (1999). *Governing in Europe: Effective and democratic?* Oxford University Press. <a href="https://doi.org/10.1093/acprof:oso/9780198295457.001.0001">https://doi.org/10.1093/acprof:oso/9780198295457.001.0001</a>
- Solt, F. (2020). Measuring income inequality across countries and over time: the standardized world income inequality database. *Social Science Quarterly*, 101(3), 1183–1199. <a href="https://doi.org/10.1111/ssqu.12795">https://doi.org/10.1111/ssqu.12795</a>
- Stoetzer, L. F., Giesecke, J., & Klüver, H. (2021). How does income inequality affect the support for populist parties? *Journal of European Public Policy*, *30*(1), 1–20. <a href="https://doi.org/10.1080/13501763.2021.1981981">https://doi.org/10.1080/13501763.2021.1981981</a>

- Swank, D., & Betz, H.-G. (2003). Globalization, the welfare state and right-wing populism in Western Europe. *Socio-Economic Review*, *1*(2), 215–245. https://doi.org/10.1093/soceco/1.2.215
- Swank, D., & Betz, H. G. (2018). *Globalization, institutions of social solidarity, and radical right-wing populism in Western Europe*. In presentation at the 2018 Annual Meetings of the American Political Science Association. <a href="https://www.zora.uzh.ch/id/eprint/207841/">https://www.zora.uzh.ch/id/eprint/207841/</a>
- Tamir, B.O. (2018). The radical right and nationalism. In: Rydgren, J. (Ed.), *The Oxford Handbook of the Radical Right*, pp. 43–75. Oxford University Press.
- Uslaner, E. M. (2017). Political trust, corruption, and inequality. In Zmerli, S. & Meer, T. W. G. van der (Eds.), *Handbook on Political Trust* (p. 302–315).
- Visser, M., Lubbers, M., Kraaykamp, G., & Jaspers, E. (2014). Support for radical left ideologies in Europe. *European Journal of Political Research*, *53*(3), 541–558. https://doi.org/10.1111/1475-6765.12048
- Vlandas, T., & Halikiopoulou, D. (2022). Welfare state policies and far right party support: moderating 'insecurity effects' among different social groups.' *West European Politics*, 45(1), 24–49. https://doi.org/10.1080/01402382.2021.1886498
- Ware, A. (2004). Partidos políticos y sistemas de partidos. Istmo.