Populist policy makers

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How Europe's far right is marching steadily into the mainstream

Whether in Italy, Spain, France or Finland, parties that were once outcasts are fast gaining respectability - and power

COLUMN | COMPASS

Populism Keeps Rattling the Globe. Elites Have No Idea What to Do.

Corporate leaders have lots of fears about political polarization. But where are their solutions?

HAL TOOSI

DAVOS, Switzerland — For more than a decade, forces on the ideological

ARGUMENT *An expert's point of view on a current event.*

Right-Wing Populism Is Set to Sweep the West in 2024

A year of elections looms—and it could be a disaster for liberal democracy.

By **John Kampfner**, the author of *Why the Germans Do It Better: Notes from a Grown-Up Country.*

Why are populists successful: parties or people?

- We vote for parties **and** people (candidates) at the same time
- Are populist politicians personally popular or do they run for popular parties?
- What is the contribution of the party brand vs. candidate characteristics for populists electoral success?

We study the major German populist party – **Alternative für Deutschland (AfD)** – in Saxony

- Focus on local government elections to quantify effect of party brand vs. candidate quality
- Local elections in Saxony particularly suitable
  - AfD candidates compete in and obtain large vote shares across many municipalities in Saxony
  - Rich variation: hundreds of local elections (municipalities x election years), thousands of candidates
  - Electoral system forces voters to cast votes for candidates (unlike in other states)

Methodology

- We use approach from IO for product demand estimation in "characteristics space"
- Perceive political candidates as "products" with distinct characteristics

Preview of our results

- AfD candidates are a new and different selection of candidates
- But voters perceive aggregate traits of AfD candidates as "below-average"
- It is the AfD brand that draws voters to AfD candidates
  - Switching to AfD would increase vote share of an average non-AfD candidate by more than 100%
- Preference for party brand correlates spatially with refugee inflows and gender imbalances

Relation to different literatures

- **Political selection**: e. g. Dal Bo' et al, 2023
- **Voter preferences for populists:**
  - **Exogenous "shocks"**: e. g. Fremerey et al. (2024), Edo et al. (2019), Gabriel et al. (2023)
  - **Incremental changes**: Danieli et al. (2023), Koch et al. (2023)
- **Characteristics space demand estimation in political economy**: e. g. Iaryczower et al. (2024), Longuet-Marx (2025), Albuquerque et al. (2025)

Context

Local government in Saxony

- About 4.1 million inhabitants
- 418 municipalities in 2024
- Council main local political body
  - Comprised of elected members
  - Elected every five years
  - Council size varies with municipality population
    $\longrightarrow$ Distribution 8 - 60; Median=16

Open-list elections for local elections

Amtlicher Stimmzettel

für die **Stadtratswahl** am 9. Juni 2024
in der Landeshauptstadt Dresden

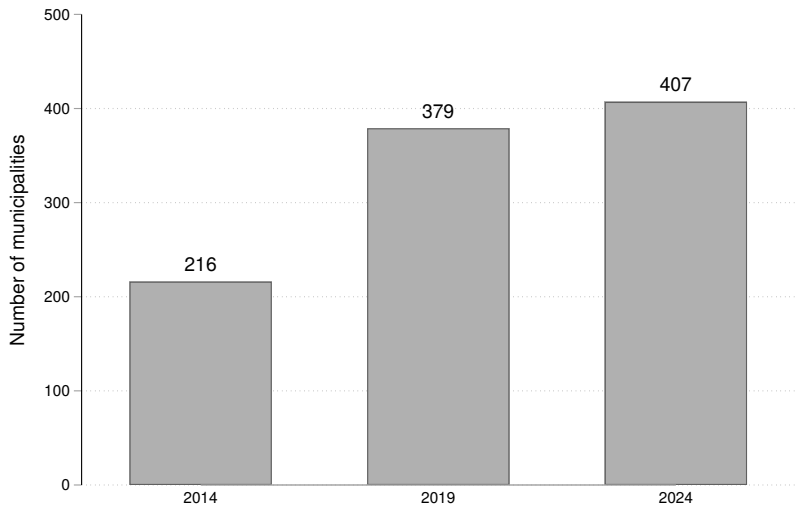
- Sie haben drei Stimmen (⊗⊗⊗).
- Sie können aber auch nur eine Stimme oder zwei Stimmen
- Sie können nur Bewerbern, die in diesem Stimmzettel aufg
- Sie können einem Bewerber eine (⊗○○), zwei (⊗⊗○) oder
- Sie können Bewerbern desselben Wahlvorschlags oder ver
- Nicht mehr als drei Stimmen insgesamt! Der Stimmzettel ist

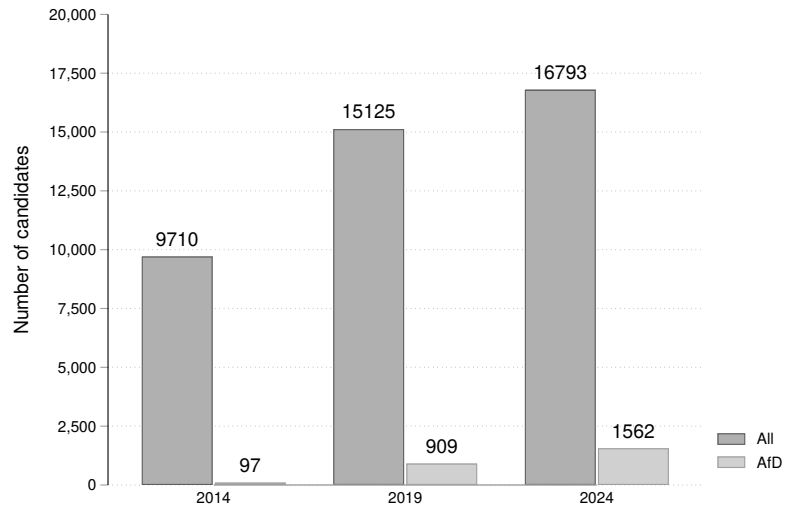
Wahlkreis 1

1 BÜNDNIS 90/ DIE GRÜNEN GRÜNE	2 Christlich Demokratische Union Deutschlands CDU	3 Alternative für Deutschland AfD	4 DIE LINKE
1. **Sicker**, Martin Wirtschaftsjurist ○○○	1. **Dr. Brauns**, Hans-Joachim Gerhard Alexander Richter am Landgericht ○○○	1. **Promnitz**, Joachim Bruno Karl Dipl.-Ökonom ○○○	1. **Kießling**, Tilo Geschäftsführer
2. **Ringler**, Katharina Volkswirtin, Umweltökonomin ○○○	2. **Felgentreu**, Bruno Referent ○○○	2. **Braun**, Holger Matthias Arzt Neurologie ○○○	2. **Wolter**, Franziska Ärztin
3. **Rentschler**, Niclas Student (Verkehrsingenieurwesen) ○○○	3. **Heinrich**, Karin Studentin (Politikwissenschaft, Verwaltungswissenschaft, Soziologie) ○○○	3. **Squar**, Jürgen Dieter Elektroniker ○○○	3. **Ludwig**, Esther Historikerin
4. **Garber**, Helen Psychologin ○○○	4. **Vincze**, Viktor Geschäftsführer ○○○		4. **Houska**, Sven Informatiker
5. **Schäfer-Hock**, Christian Roberto	5. **Waldhelm**, Norbert Karl Josef		5. **Di Carlo**, Chiara

Data

Hand-collected data on local election candidates





Descriptive evidence on AfD candidates

Are AfD candidates "new" candidates or turncoats?

AfD candidates in each wave represent a new selection of politicians

- They are less likely to be recontesting candidates
- They are not recruited from other parties

Do AfD candidates differ in their characteristics from candidates of other parties?

- AfD candidates are disproportionately
  - male
  - self-employed
  - pensioners
  - less likely to hold academic titles
- **AfD candidates represent a "new" but also a "different" selection of policy makers.**

Voter preferences for party brands and candidate traits

We use approach from IO for demand estimation in "characteristics space"

- Perceive candidates as "products" with "product characteristics"
- And voters as "consumers" who have preferences regarding these characteristics
- Want to estimate "voter preferences" for each characteristic
- Use variation in vote shares (market shares) to infer voter (consumer) preferences for candidate (product) characteristics

Start out with random-utility model (multinomial choice)

- Voter i obtains (random) utility from electing candidate j:

$$u_{i,j} = \gamma + \sum_{p} \alpha_p P_{j,p} + \sum_{k} \beta_k X_k + \zeta_j + \epsilon_{i,j}$$

- P set of party dummies (indicating party of candidate)
- X variables indicating candidate characteristics
- ζ_j unobserved (by us) candidate characteristics (policy stance on local issues, "unobserved valence")
- $\epsilon_{i,j}$ candidate-specific i.i.d shock (Type-I Extreme-Value)

"Berry-Inversion"

- Choice probability of candidate j is given by

$$P_j^i = \frac{\exp(\Gamma_j)}{1 + \sum_{j' \in J} \exp(\Gamma_{j'})},$$

with $\Gamma_j = \gamma + \sum_p \alpha_p P_{j,p} + \sum_k \beta_k X_k + \zeta_j$

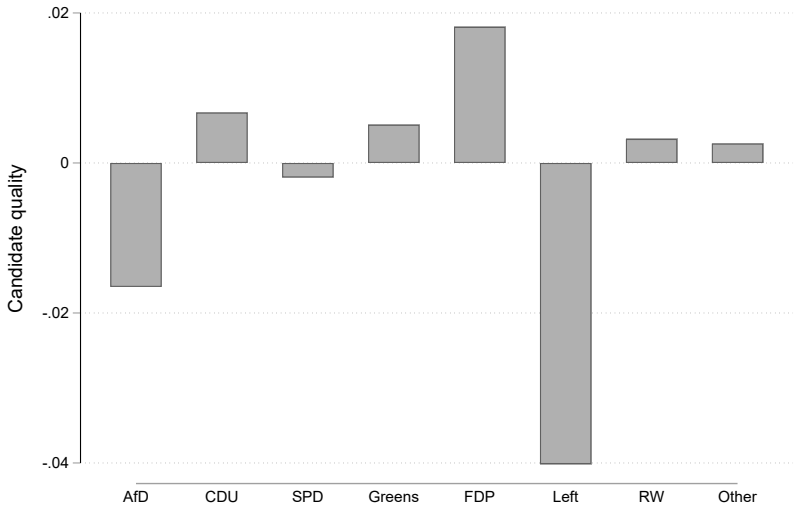
- "Berry Inversion" (Berry 1994) to transform non-linear model to linear model:

$$Log(P_j / P_{j_{out}}) = \gamma + \sum_p \alpha_p P_{j,p} + \sum_k \beta_k X_{j,k} + \zeta_j.$$

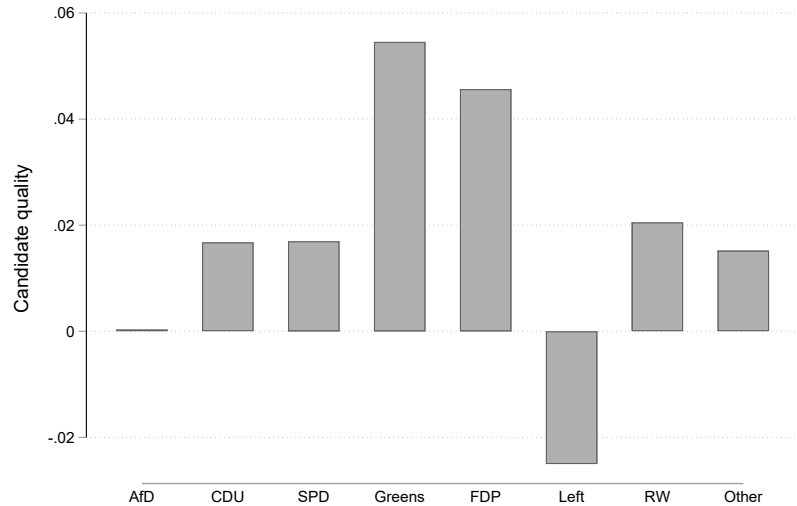
- Replacing choice probabilities with observed vote shares, preference parameters $(\boldsymbol{\alpha}, \boldsymbol{\beta})$ can be estimated by OLS with the log-odds as dependent variable

Baseline

	(1)	(2)	(3)
AfD	0.379***	0.857***	0.753***
	(0.129)	(0.072)	(0.065)
CDU	0.012	0.093***	0.104***
	(0.070)	(0.034)	(0.039)
FDP	-1.736***	-0.729***	-0.790***
	(0.227)	(0.074)	(0.068)
SPD	-1.150***	-0.274***	-0.345***
	(0.108)	(0.037)	(0.044)
Greens	-1.592***	-0.067	-0.170
	(0.198)	(0.113)	(0.144)
Left	-0.626***	0.201***	0.001
	(0.146)	(0.045)	(0.049)
RW	-0.894***	-0.077	-0.364***
	(0.205)	(0.090)	(0.090)
Female	-0.187***	-0.071***	-0.047**
	(0.029)	(0.022)	(0.019)
Academic	0.202*	0.600***	0.512***
	(0.109)	(0.038)	(0.033)
Self-employed	0.157***	0.141***	0.124***
	(0.037)	(0.021)	(0.018)
Employee	-0.161***	-0.199***	-0.171***
	(0.037)	(0.021)	(0.017)
Pensioner	-0.156**	-0.269***	-0.307***
	(0.066)	(0.030)	(0.025)
Public sector	0.262***	0.112***	0.089***
	(0.047)	(0.028)	(0.024)
Top-placed			0.770***
			(0.024)
Incumbent			0.711***
			(0.021)
Election FE	No	Yes	Yes
Elections	851	851	851
Municipalities	406	406	406
N	34081	34081	34081



(a) All

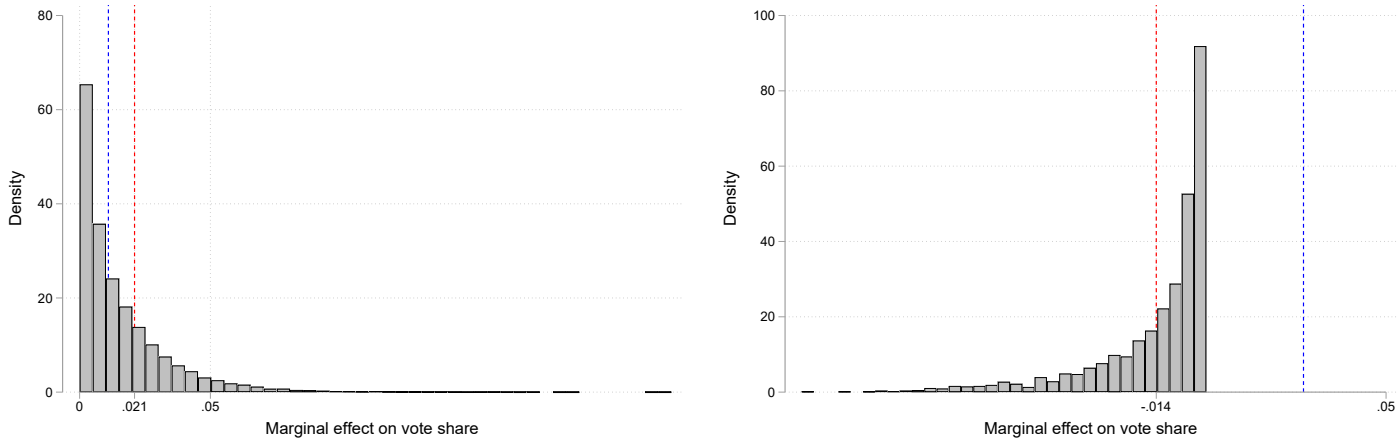


(b) Elected

Figure: Observed (normalized) average candidate quality across parties.

Marginal effect of AfD membership and counterfactuals

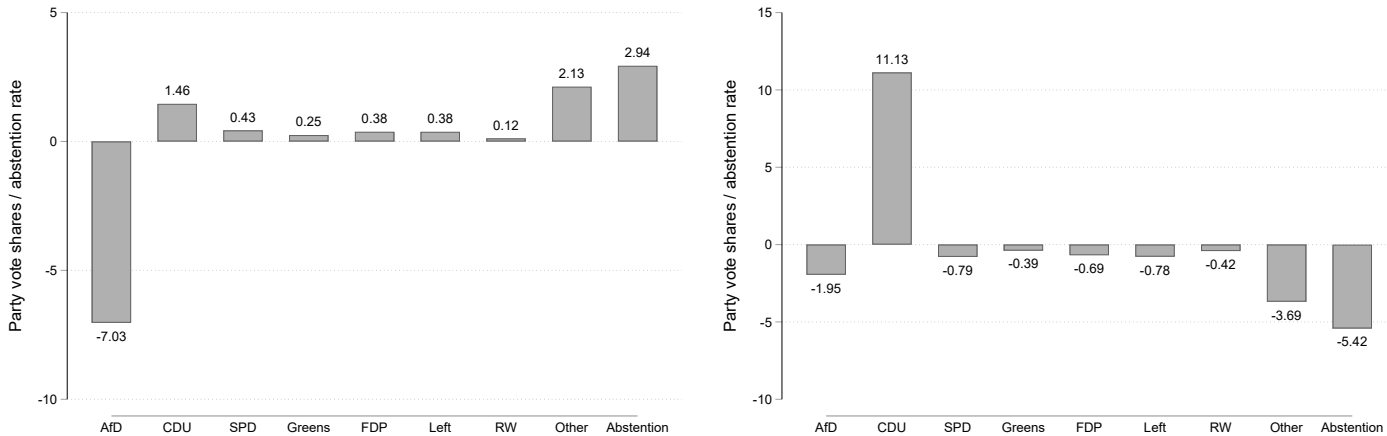
Marginal effects



(a) Non-AfD candidates (b) AfD candidates

Figure: Marginal effect of AfD membership on vote shares of candidates.This figure shows the distribution of marginal effects of gaining AfD membership among non-AfD and losing the AfD membership among AfD candidates. The red vertical line indicates the average marginal effect. The blue vertical line indicates the average vote share of non-AfD and AfD candidates, respectively.

Counterfactuals

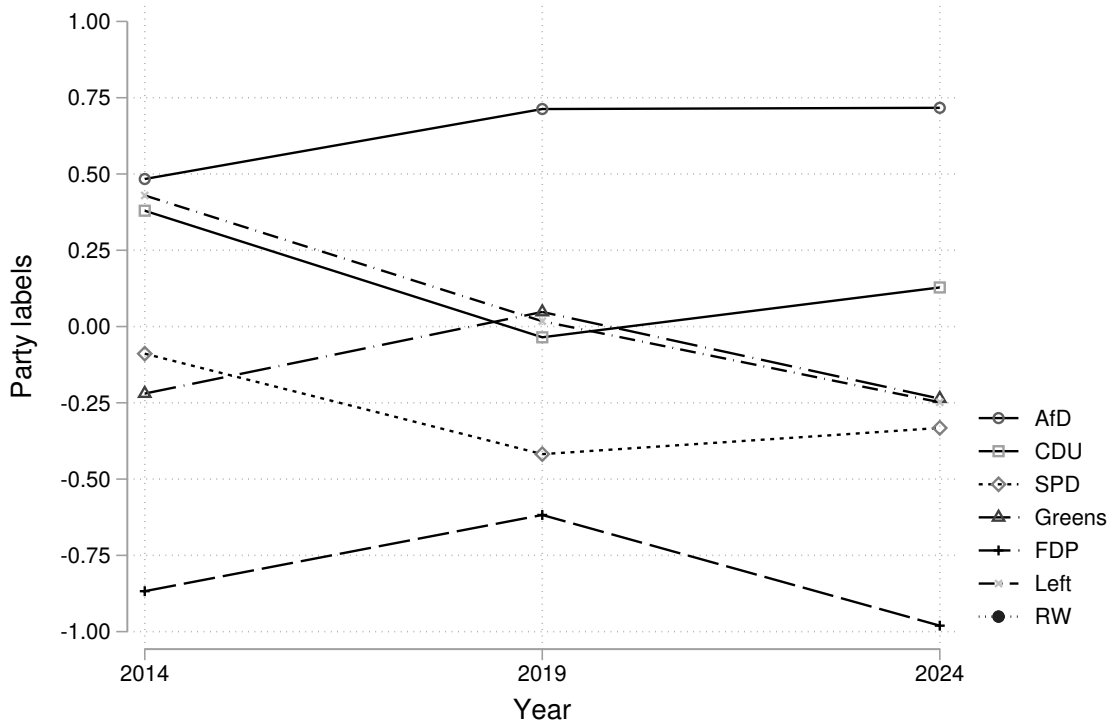


(a) No AfD list (b) Stronger CDU party brand

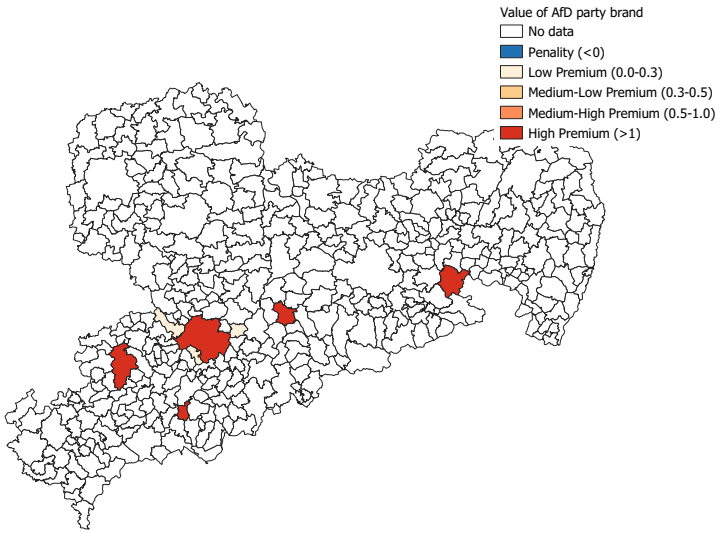
Figure: Counterfactual simulations of brand effects. This figure shows how party level vote shares change if no AfD party lists where available and thus AfD candidates would run as independents (subfigure a) and if the CDU brand would be as strong as the AfD brand (subfigure b).

What is reflected by the AfD party brand?

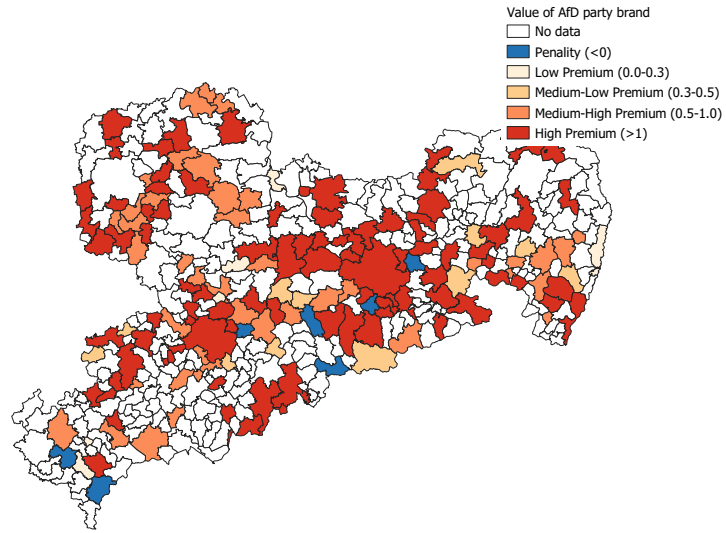
Value of party brands over time



Spatial variation in AfD brand value



(a) 2014



(b) 2019

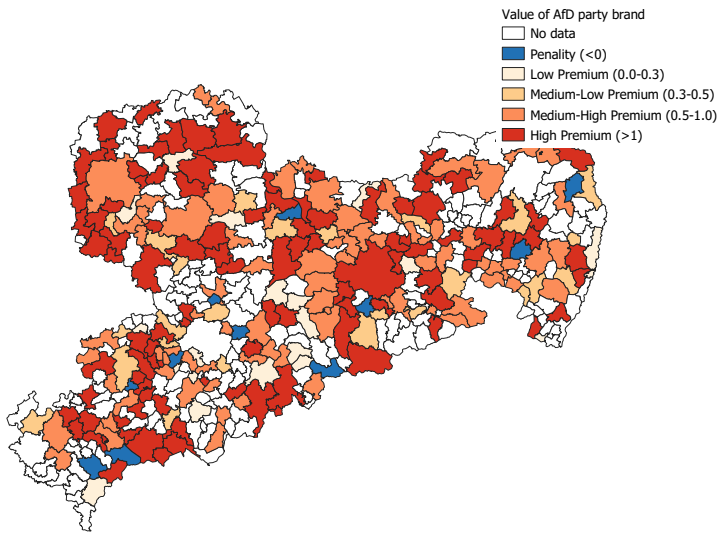


Table: Correlates of AfD party brand estimates across elections

	(1)	(2)	(3)
Panel A: Refugees			
Log(Refugees)	0.134**		
	(0.059)		
Refugees / Population		0.090*	
		(0.049)	
Δ Refugees /Population			0.049
			(0.034)
N	150	274	274
Panel B: Population			
Log(Population)	1.111		
	(2.274)		
Δ Population		0.017	
		(0.043)	
Δ Log(Population)			-0.105
			(0.636)
N	274	274	274
Panel C: Unemployment			
Log(Unemployed)	-0.033		
	(0.387)		
Unemployed / Population		-7.473	
		(16.256)	
Δ Unemployed /Population			-11.259
			(7.392)
N	274	274	272
Panel D: Gender			
Δ Log(Women)	-0.375		
	(0.594)		
Gender ratio (Women / Men)		-9.571***	
		(2.889)	
Δ Gender ratio			-4.427**
			(2.143)
N	274	274	274

Conclusions

- AfD fields a new and different selection of candidates
- But overall "observed candidate quality" lower than for most other parties
- AfD party brand the main driver of AfD's electoral success
- Important dimensions of AfD's party brands appear to be stance against refugees and gender issues

Backup Slides – Robustness and Extensions

Table: Parties to which turncoats switched to/from in 2019 and 2024

To \ From	AfD	CDU	SPD	FDP	Greens	Left	RW	Other	Total
Panel A: Turncoats from 2014 to 2019									
AfD	-	13	4	3	1	4	0	15	40
CDU	0	-	4	8	0	1	1	23	37
SPD	0	0	-	1	3	0	0	9	13
FDP	0	7	1	-	0	2	1	8	19
Greens	0	1	4	0	-	0	0	4	9
Left	0	1	3	0	1	-	0	7	12
RW	0	0	0	0	0	0	-	3	3
Other	1	72	32	18	7	5	4	-	139
Total	1	94	48	30	12	12	6	69	279
Panel B: Turncoats from 2019 to 2024									
AfD	-	17	2	4	0	3	2	24	52
CDU	1	-	9	9	3	1	0	57	80
SPD	0	2	-	1	5	3	0	14	25
FDP	1	8	1	-	0	0	0	5	15
Greens	0	2	1	1	-	3	0	27	34
Left	0	1	1	0	0	-	0	10	12
RW	0	0	0	1	0	0	-	0	1
Other	15	151	50	65	18	71	13	-	383
Total	17	181	64	81	26	81	15	137	602

Notes: This table displays the inter-party movements of candidates from the 2014 to 2019 election (Panel A) and the 2019 to 2024 election (Panel B). The columns refer to the party of origin, and the rows refer to the party for which they ran in 2019 and 2024, respectively.

Turncoats fixed effects and IV (recontest dummy as IV for AfD membership)

	(1– Turncoats)	(2– IV)
AfD	1.134***	0.535
	(0.112)	(0.373)
CDU	-0.006	0.068
	(0.041)	(0.046)
FDP	-0.456***	-0.821***
	(0.083)	(0.091)
SPD	-0.105	-0.378***
	(0.066)	(0.058)
Greens	-0.078	-0.201**
	(0.135)	(0.102)
Left	0.036	-0.038
	(0.112)	(0.065)
RW	0.120	-0.392***
	(0.307)	(0.130)
Female		-0.049***
		(0.016)
Academic	0.413	0.503***
	(0.334)	(0.033)
Self-employed	0.031	0.129***
	(0.027)	(0.021)
Employee	-0.013	-0.164***
	(0.025)	(0.017)
Pensioner	-0.279***	-0.300***
	(0.023)	(0.026)
Public sector	0.016	0.088***
	(0.038)	(0.025)
Top-placed	0.382***	0.765***
	(0.023)	(0.039)
Incumbent	-0.052***	0.731***
	(0.014)	(0.023)
Candidate FE	Yes	No
Election FE	Yes	Yes
Elections	750	851
Municipalities	306	406
N	14834	34040

Multinomial logit and substitution patterns

- Regular multinomial logit assumes that ϵ is i.i.d, imposing possibly unreasonable substitution patterns
- Nested multinomial logit with political camps as nests (right-wing, left-wing, independent) more reasonable
- Berry (1994) shows that for nested logit, the appropriate "inversion" is:

$$Log(P_j/P_{j_{min}}) = \gamma + \sum_p \alpha_p P_{j,p} + \sum_k \beta_k X_{j,k} + \sigma Log(P_j/P_G) + \zeta_j$$

- with
  - P_j/P_G the vote share of candidate j in the aggregate vote share of the political camp G.
  - and σ measuring the correlation in preferences for candidates of the same camp

Nested Logit

Table: Party brand vs. candidate characteristics: nested logit estimations

	(1– Conservative)	(2– Left-wing)	(3– RW)	(4– Independent)
AfD	0.805***	0.740***	1.310**	0.904***
	(0.124)	(0.182)	(0.515)	(0.150)
CDU		0.207***	0.357***	
		(0.021)	(0.105)	
FDP		-0.622***	-0.842***	
		(0.171)	(0.220)	
SPD	-0.295***		-0.273**	
	(0.078)		(0.115)	
Greens	-0.089		-0.008	
	(0.163)		(0.323)	
Left	0.066		0.376***	
	(0.050)		(0.104)	
RW	-0.331***	-0.246***		
	(0.086)	(0.082)		
Female	-0.039	-0.047*	-0.042	-0.051**
	(0.024)	(0.026)	(0.053)	(0.023)
Academic	0.507***	0.439***	0.630***	0.555***
	(0.083)	(0.094)	(0.107)	(0.097)
Self-employed	0.114***	0.115***	0.043	0.141***
	(0.021)	(0.021)	(0.062)	(0.033)
Employee	-0.176***	-0.171***	-0.207***	-0.180***
	(0.033)	(0.037)	(0.061)	(0.035)
Pensioner	-0.322***	-0.304***	-0.413***	-0.334***
	(0.056)	(0.046)	(0.089)	(0.056)
Public sector	0.095***	0.086***	0.034	0.099***
	(0.028)	(0.029)	(0.072)	(0.030)
Top-placed	0.754***	0.693***	1.195***	0.815***
	(0.133)	(0.175)	(0.205)	(0.146)
Incumbent	0.744***	0.665***	0.939***	0.829***
	(0.129)	(0.134)	(0.154)	(0.110)
$\rho_{Conservative}$	-0.009			
	(0.174)			
$\rho_{Left-wing}$		0.120		
		(0.193)		
ρ_{RW}			-0.163	
			(0.157)	
$\rho_{Independent}$				-0.109
				(0.150)
AfD (adjusted)	0.798***	0.841***	1.126***	0.815***
Election FE	Yes	Yes	Yes	Yes
Elections	772	606	63	816
Municipalities	379	313	49	401
N	32451	28268	4444	33055

BLP estimations

	(1– Random variances)	(2– Random covariances with AfD)	(3– Full random covariances)
AfD	0.692***	0.536	2.188
	(0.049)	(2.734)	(3.201)
CDU	-0.676*	-0.682	-2.133
	(0.393)	(0.427)	(20.103)
FDP	-0.806	-0.792***	-0.212
	(0.919)	(0.182)	(18.758)
SPD	-1.959*	-2.921*	-1.508
	(1.122)	(1.710)	(30.436)
Greens	-0.352	-0.390	1.618
	(0.565)	(0.952)	(6.845)
Left	-3.195***	-2.506*	-2.776
	(1.173)	(1.516)	(21.527)
RW	-3.630	-2.210	-17.903
	(3.368)	(5.189)	(120.427)
Female	-0.064***	-0.068***	-0.053
	(0.012)	(0.013)	(0.169)
Academic	0.543***	0.536***	0.580***
	(0.016)	(0.025)	(0.168)
Self-employed	0.107***	0.109***	0.143*
	(0.017)	(0.018)	(0.083)
Employee	-0.176***	-0.173***	-0.172**
	(0.013)	(0.018)	(0.077)
Pensioner	-0.302***	-0.299***	-0.328***
	(0.027)	(0.032)	(0.120)
Public sector	0.096***	0.080***	0.125
	(0.022)	(0.024)	(0.196)
Top-placed	0.573***	0.560***	0.503
	(0.027)	(0.047)	(0.769)
Incumbent	0.745***	0.747***	0.769
	(0.021)	(0.030)	(0.526)
Election FE	Yes	Yes	Yes
Elections	851	851	851
Municipalities	406	406	406
N	34081	34081	34081

LLM classifications

	(1)	(2)	(3)	(4)
AfD	0.307*	0.836***	0.862***	0.754***
	(0.159)	(0.073)	(0.072)	(0.065)
CDU	0.021	0.122***	0.094***	0.105***
	(0.067)	(0.036)	(0.034)	(0.039)
FDP	-1.832***	-0.735***	-0.728***	-0.789***
	(0.223)	(0.071)	(0.073)	(0.068)
SPD	-1.194***	-0.240***	-0.276***	-0.345***
	(0.110)	(0.051)	(0.037)	(0.044)
Greens	-1.744***	-0.038	-0.077	-0.177
	(0.164)	(0.108)	(0.111)	(0.143)
Left	-0.673***	0.225***	0.200***	0.002
	(0.135)	(0.048)	(0.045)	(0.049)
RW	-0.898***	0.062	-0.016	-0.320***
	(0.174)	(0.089)	(0.086)	(0.079)
Middle-school	0.198	-0.007	-0.005	-0.009
	(0.303)	(0.032)	(0.026)	(0.023)
High-school	0.022	-0.047	-0.036	-0.052*
	(0.277)	(0.035)	(0.032)	(0.027)
University	0.127	0.096*	0.167***	0.141***
	(0.290)	(0.052)	(0.051)	(0.042)
High-salary	0.859***	0.399***	0.478***	0.366***
	(0.331)	(0.051)	(0.111)	(0.101)
Medium-salary	0.791**	0.373***	0.542***	0.472***
	(0.324)	(0.040)	(0.105)	(0.096)
Female			-0.077***	-0.051***
			(0.021)	(0.018)
Academic			0.580***	0.500***
			(0.038)	(0.033)
Self-employed			0.155***	0.125***
			(0.021)	(0.018)
Employee			-0.193***	-0.177***
			(0.021)	(0.017)
Pensioner			0.183**	0.078
			(0.090)	(0.082)
Public sector			0.086***	0.069***
			(0.028)	(0.024)
Top-placed				0.767***
				(0.024)
Incumbent				0.705***
				(0.020)
Election FE	No	Yes	Yes	Yes
Elections	890	890	851	851
Municipalities	408	408	406	406
N	36717	36717	34081	34081