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Love All, Trust A Few, Never Betray The Voters

A Study of the Relationship between Populist Governments and Democratic Trust

Pau Gómez-Martínez
s2142406
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First reader: Dr. J. A. Robison
Second Reader: Dr. M. F. Meffert
Faculty of Social Sciences
Leiden University
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Table of Contents:

Abstract .............................................................................................................................................. 3

Introduction ....................................................................................................................................... 3

Literature Review and Theoretical Framework ................................................................................. 4
  Populism: What are we talking about? ........................................................................................... 4
  Democratic trust and democratic de-consolidation: Why is it a threat? ...................................... 6

Research Question and Hypotheses .................................................................................................. 9

Operationalisation and Research Design .......................................................................................... 10

Statistical Analysis .......................................................................................................................... 12

Discussion and Limitations .............................................................................................................. 18

Conclusion and Implications ........................................................................................................... 21

Acknowledgements .......................................................................................................................... 23

References ......................................................................................................................................... 24

Appendix A: SPSS Syntaxes ............................................................................................................ 29

Appendix B: OLS Assumptions Tests ............................................................................................... 31
Abstract:

In the past years, many have seen populism as the potential downfall of liberal democracy in Europe. Although populist parties have been in national governments for some time, not much research has taken place on the consequences of populist governments in citizen attitudes. Based on the theories of democratic trust and democratic de-consolidation, an OLS analysis of the relationship between populist governments and democratic trust is undertaken. The results point at a positive moderate effect of populist governments and unemployment change in democratic trust. By dividing the analysis between populist and non-populist voters, it is found that it is only populist voters who recover confidence after populist leaders are elected.

Introduction:

The discontent caused by the economic and political crises of the 2010s in Europe has created large and deep wounds throughout the continent. What used to be one of the most democratic and prosperous regions of the world finds now many of its founding ideas under dispute. From liberal democracy to the free market and open borders, every core value of the European Union (EU) is now one of the most prominent items of the political discussion. Political parties and ideas once reserved to the ideological fringes now rise to popularity to challenge old and established party systems and electoral traditions. Will Europe be reinvented completely or is this just a passing trend?

For the past years the EU has seen the rise of extreme right-wing populism, which puts in the agenda issues ignored by and uncomfortable for mainstream political parties. These include most prominently the criticism of mass migration, European institutions and the loss of power of nation-states (Rooduijn, 2019). Fuelled by the losers of globalisation and European integration, populism seeks a return to powerful nations, homogeneous demographics and full employment (Inglehart & Norris, 2016). From the United Kingdom to Finland, their influence expands as far as the EU reaches. From presidential contenders in France to holding ruling majorities in Hungary for around a decade, their influence in European politics is undeniable.

Their common criticism of liberal democracy and the status quo (ante bellum) now meets the reality where many of these parties have already reached national governments, be it in coalition or on their own. So, what have they done? What is the impact of their reaching power? Due mainly to the fact that this is a relatively recent phenomenon, the literature has not examined in detail the
effects of the election of populist governments. One concerning aspect where they could have an impact is the further erosion of democratic trust. Considered as the glue that keeps democratic systems and societies together (Easton, 1975), reduced levels of trust could endanger democracy as we know it by the risk of democratic backsliding. As a consequence it remains important to explore the effects of populist governments in democratic trust.

This paper analyses through an OLS regression the statistical relationship between democratic trust and the presence of populist parties in government. The results show a moderate positive relationship with time, pointing to slight improvements in trust after years of populist governments. It is also proven that unemployment change is a significant predictor for democratic trust change. In addition, a separate analysis of populist and non-populist voters attitudes shows how populist voters see more positive effects in diffuse trust. Finally, an increase in trust in European institutions is also found. These results point to a qualification of the supposed threats that populist parties represent for Western democracies, since it becomes possible that their voters only want more relatable or different faces in power.

**Literature Review and Theoretical Framework:**

**Populism: What are we talking about?**

The term of populism is not a clear-cut, neutral one. Its sole use to refer to specific parties, movements or leaders can be seen as a politicised approach or biased characterisation. Indeed, the negative connotation the term carries limits our willingness to understand such positions due to a pre-established view on what is fair democratic competition and what is destructive for democratic societies overall. Hence, given the limitations of this paper it is considered best to be limited to the widely accepted definition in the literature to avoid partisan criticisms or allegations of researcher bias.

To that end, populism is considered as a thin ideology as understood by Mudde (2007), a definition widely accepted and used in the literature on the subject (Noury & Roland, 2020, p. 423). This means that the ideational corpus of these parties divides the world between the « elite » that rule everything and the powerless, pure « people » (Mudde, 2007, p. 23). As a consequence, a thin approach does not consider policy as the key element of populist success, but rather its position as the voice of the wretched of the contemporary democratic game.

Mudde’s (2007) definition also includes the elements of nativism and authoritarianism in his classification of extreme right-wing populism. Nativism is considered as the belief that those from the majority ethnic group — i.e. those born in that same country — have the right or the priority to
inhabit the given country. This leads to political positions opposing further immigration and cosmopolitan ideas in favour of a national outlook and cultural homogeneity. Authoritarianism refers to a trend of submission and lack of criticism towards a charismatic leader that can lead to anti-democratic attitudes. As a consequence, these politicians might seek a retrogression of institutional standards of democracy to consolidate power unopposed by their voters.

In contrast there remains the understanding of populism as a specific electoral strategy, as argued by Brubaker (2017). In this view, populism would consist of a common vocabulary or imaginary to be used with particular political or electoral goals in mind. A benefit of this approach is that it explains the eventual appropriation of populist vocabulary from mainstream politicians to appeal to discontent voters. The author directly criticises Mudde (2004) by highlighting how the populist opposition is not just vertical — people versus elite — but also horizontal in that out-groups are seen as fundamental threats to the in-group.

This vision is not used in this paper since it is understood that Mudde’s (2007) definition also encompasses the role that out-groups, many times immigrants, play in populist rhetoric. Indeed, the nativist dimension of populism already accounts for the role of foreign threats and as such, the horizontal dimension is not considered as substantive enough to consider Brubaker’s (2017) perspective over a thin definition of populism. Although right-wing populism can also include traditionally left-wing economic policies and it arguably changes the main axis of political dispute, this will be considered as a homogeneous category for the sake of analysis.

Following Mudde’s (2007) classification, the label of populism in this paper will not refer to left-wing populist movements also born as a consequence of the 2008 crisis such as *Podemos* in Spain or *La France Insusmise* in France. Hutter et al. (2018) argue how the focus of this type of movements is more often anti-austerity politics and a relative level of Euro-skepticism than the nativist and authoritarian elements of the thin approach accepted. Given that authoritarianism is not as present in left-wing as in right-wing populism, from this point on the term populism refers exclusively to Western right-wing, nativist, authoritarian types of populism. This distinction is relevant since the relationship between left-wing populism and democratic de-consolidation is not so clear theoretically. The authoritarian aspect of right-wing populism makes it easier to be linked to democratic backsliding.

Throughout the literature, two explanations for the rise of populism coexist. The first one considers this movement as a political reaction from the losers of globalisation and the economic crises of the 2010s. Accordingly, mass unemployment, austerity measures and reduced economic opportunities leads to system mistrust and support for anti-system, radical new proposals; in other
words, economic factors explain the mass support for parties that promote fundamental economic change and hearing the voices of the losers of free market policies. Some publications that support this position include Algan et al. (2017) or Foster & Frieden (2017).

The second explanation in the literature is the cultural backlash to the silent revolution of the 1970s. This term refers to the cultural change experienced by the educated youth contemporary to May ’68 and the hippie movement. This cultural shift brought progressive values and world-views into the mainstream, including arguably left-wing values such as environmentalism, feminism or pacifism. As a reaction, populism would push for re-valuing previously dominant cultural norms such as the nation-state or traditional family structures and gender roles. In their very relevant article on the field of populism, Inglehart & Norris (2016) argue that this might be one of the main drivers of populist discontent throughout the West.

Other authors such as Kriesi (2010) and Gidron & Hall (2017) argue for a mixed effect of cultural and economic factors. Noury & Roland (2020) suggest a vision where societal-wide cultural change is a slow and widespread process that can be expressed politically when a short-term worsening of economic conditions happen (p. 435), a quite plausible and coherent proposition.

Democratic Trust and Democratic De-consolidation: Why is it a threat?

One concern that some authors raise is the decreasing levels of democratic trust seen in Western countries (Dalton, 2004; Foster & Frieden, 2017). If this trend continues further in time, it could mean the progressive erosion of democracy and eventually, the risk of systemic collapse. This proposition is based on the understanding that if citizens do not believe in the democratic system anymore, they might be more open to a new political regime, such as an autocracy or an illiberal democracy. The process by which decreasing democratic trust could pose a threat to democracy is known as democratic de-consolidation. Although low levels of trust are linked with the emergence of populist parties (Dassonneville & Hooghe, 2016), it is still unclear whether the presence of populism further degrades trust levels.

 Probably one of the most important authors in the theory of democratic support is Easton (1975), who argued that citizen support is essential for the survival of democracies, which are based on notions of regime legitimacy. His theory points to the relevance of citizen attitudes towards democratic governance in the survival of healthy, legitimate political systems. In addition to that, he also established the notions of diffuse and specific support, meant to capture democratic support amongst citizens. Diffuse support refers to the degree to which the system overall is accepted, in contrast with specific support, which measures support for specific institutions and politicians (p.
This constitutes an important distinction when measuring democratic robustness, since diffuse indicators will be more useful to examine regime survival as they measure conformity or trust with democracy overall instead of specific aspects of the system.

This theory was most recently empirically proven by Claassen (2020), who found a relevant role of citizen attitudes when it comes to democratic survival. By providing a comprehensive dataset and homogenised method, the author analyses the relationship between democratic attitudes and systemic changes in a wide range of countries through the span of almost three decades. The results support Easton’s theory of democratic support, even in consolidated democracies like those in Western Europe. Democracies need popular legitimacy and support to survive. Although the mechanism by which established democracies might eventually fall is not analysed in detail, the author considers the election of authoritarian-populist leaders a quite plausible answer (p. 131).

The current literature on political trust has some commonplace findings and yet some relevant gaps, considering this as a relevant indicator of democratic support. For example, the cultural norm that makes losing an election acceptable is less widespread in newer democracies than in consolidated ones (Anderson et al., 2005), being this a quite important aspect of democracy: knowing that your interests and opinions are not in grave threat by being on the opposition.

Although there is mixed evidence regarding the effect of the elections winner on diffuse trust, specific trust is proven to increase among voters when likeminded or favourable governments are in power and decrease when the results prove otherwise (Hooghe, 2018, p. 626). In general terms, right-wing voters are found to have higher levels of diffuse trust than left-wingers. On the other hand, populist support is associated with mistrust as part of voter identity, meaning that lower levels of democratic trust exist among populist voters and it is difficult to change those attitudes. As Dassonneville & Hooghe (2016) argue, a populist vote expresses first and foremost low levels of political trust, making the relationship between these two aspects quite a close one.

When it comes to what citizens are asked about, democracy is found to work as a proxy for government (Hooghe, 2018, p. 620). In other words, questions responding satisfaction with democracy generally framed are found to vary significantly through time, as they act as indicators of government performance or affinity instead of reflecting diffuse trust. However, more vague terms like « national parliament » see more stable results and could be considered more appropriately like indicators of diffuse support. This is due to the fact that the public as a general rule does not follow parliamentary activity or members as closely as government actions and as a consequence associate the term with the whole system or the democratic procedure.
In Wuttke et al.’s paper (n.d.), a cross-national study demonstrates how democratic support has not vanished away in most developed countries. The concept of democracy is very widely shared (at least normatively) by almost all the countries analysed, and democratic support is still very high in consolidated democracies, even when period, cohort and age effects are disentangled (p. 4). Given the wide-ranging interpretations of the concept of democracy, it might be the case that voters prefer a different understanding of democracy when supporting candidates with authoritarian values, such as illiberal democracy or direct democracy. This position is usually referred to as « democrats in name only », meaning some citizens consider the level of democracy as a secondary trait for good governance. However, as Bowler et al. (2017) show, populist voters and leaders do not share preferences on direct democracy: although this concept is relevant in populist rhetoric, voters do not seem to care about it as much as voicing their grievances with the perceived elite.

Some papers study the effect of populism in democratic support more widely. Rooduijn et al. (2017) test the relationship between populist vote and receptiveness of cynical messages. They find that populist voters are much more likely to believe cynical statements about the establishment than non-populist voters, suggesting a similar relationship in other indicators such as democratic trust. In another study, Rooduijn et al. (2016) explore the relationship between discontent and populist support over time. The main question is whether populists fuel political discontent, whether they profit from its existence in society or if the relationship is reciprocal; the results point to a reciprocal relationship between discontent and populist vote throughout time, complicating claims of linear causality yet offering a compelling argument.

Mudde & Rovira Kaltwasser (2012) offer a useful example of what happens when populist leaders are elected: in their case study of Austria, a populist party reaches a sub-national government, which is not found to have any effect on the quality of democracy or the overall support for democracy. However, as they acknowledge, the goal of current populist parties is to reach national governments so that wider policy areas can be changed, such as the institutional makeup or border policy. One of the most relevant examples of such a case can be seen in Hungary, where the populist party Fidesz reached government in the early 2010s and consequently eroded democratic quality. There is a rich body of literature on these countries’ democratic backsliding (Enyedi & Krekó, 2018; Csehi, 2019), but it still remains to be seen to what extent the same movements pose a threat to more consolidated democracies.
Research Question and Hypotheses:

This theoretical background leads to the following research question: « What is the relationship between the election of populist parties to government and democratic trust in general and among populist and non-populist voters? »

The main hypothesis is that the election of populism should increase democratic trust in general. This expectation comes from two perspectives: on the one hand, trust by populist voters overall should increase, and trust by non-populist voters should remain significantly similar. It is important to remark that this paper tries to measure in this regard diffuse support, which as a general rule stays more or less independent from individual elections.

When it comes to populist voters, they should see their democratic trust augmented since a system they thought of as broken or unfair now favours their interests and positions. In other words, populist governments should see credible evidence that in effect, democratic systems work. Since the study comprises eight years and diffuse trust trends can only be seen through time, sudden changes are not expected.

Non-populist voters are expected to see similar levels of democratic trust overall. Citizens in Europe live mostly in consolidated democracies, which tend to have a consistent and relatively high level of democratic trust (Thomassen & van der Kolk, 2009). As a consequence, diffuse trust should not decrease by seeing new parties reach government as party rotation is one of the main tenets of liberal democracy. However, following the winners and losers hypothesis of democratic trust, we would expect a decrease in non-populist specific trust in government or politicians after the election of populists, which is not included in this paper.

Since euro-skepticism is a recurrent topic in extreme right-wing populism, the agenda-setting power that comes with government would help further criticise the European institutions like the European Parliament (EUP). The idea of a European supranational elite also can work as a rhetorical resource since it is difficult to criticize a national elite when your party is in government. This more prominent anti-EU position would be well received by populist voters but not by non-populist voters, who would see the EUP as a valuable counterweight to a government that could cause democratic backsliding. Since non-populist voters are in the majority in most countries, the expected effect is positive due to its larger numbers. Indeed, an analysis on the levels of democratic trust in the EU would be incomplete without an inclusion of the European policy-making dimension given its power in many policy areas and the heated debates around it.
Hence, the Null hypothesis 1 states that the election of populist parties to government is not related to an increase in democratic trust. On the other hand, the Alternative Hypothesis 1 states that the election of populist parties to government is related to an increase in democratic trust.

These hypothesis have their corresponding sub-hypotheses. The Null Sub-hypothesis 1 states that the election of populist parties to government is not related to an increase in democratic trust among populist voters. The Alternative Sub-hypothesis 1 states that the election of populist parties to government is related to an increase in democratic trust among populist voters.

The Null Sub-hypothesis 2 states that the election of populist parties to government is not related to an increase in democratic trust among non-populist voters. The Alternative Sub-hypothesis 2 states that the election of populist parties to government is related to an increase in democratic trust among non-populist voters.

The Null Hypothesis 2 states that the election of populist parties to government is not related to an increase in EUP trust. Contrarily, the Alternative Hypothesis 2 states that the election of populist parties to government is related to an increase in EUP trust.

**Operationalisation and Research Design:**

The countries chosen to be analysed are EU member states where extreme right-wing populist parties have been in government at some point after 2010. In addition, three large European countries where populism has not reached government yet but it is nonetheless still quite relevant politically have been included to give more validity to the results. These specific countries are France, Germany and the United Kingdom, with large-scale influential populist parties. The period of time analysed includes the years from 2010 to 2018, since that is the timespan between the 2008 financial crisis and the present day. It also includes the 2015 Euro crisis, both crises which are thought to be relevant in the surge of populism.

To measure diffuse democratic trust, data measuring trust in national parliaments is taken from the European Social Survey (ESS), which is a widely respected and used datasource consisting of mass surveys with many questions asked throughout European countries every two years. Specifically, the ESS consistently asks from 2010 to 2018 the same element qualifying level of trust in national parliament, ranging from 0 to 10, being 0 no trust at all and 10 complete trust. This standardised approach is quite helpful when merging data from different ESS rounds. A similar measurement is also used for EUP trust levels, which is also taken from the same source and uses the same values scale; this is included to test for Euro-skepticism levels after the election of populist governments.
Since we want to measure change in democratic trust and not democratic trust levels overall, the data of each year is formed by the difference between the levels of democratic trust of that given year minus the levels seen in the previous round. In this way we avoid establishing a relationship between levels of trust — high or low — with populist presence in government but rather its relationship with the change seen in those values. Taking absolute values instead of change values could test for an unwanted relationship: to what extent countries that see election of populists are related to overall levels of trust. This distinction will become relevant in the Discussion section.

Most importantly, the Lewis et al. (2018) classification of populist parties and governments is used to distinguish populist parties, governments and voters from non-populist ones. With the help of academic Matthijs Rooduijn and an open database open for modification by peer academics, a comprehensive classification of populist parties and governments has been established from 2000 to 2018 throughout Europe, included all EU countries. This includes a classification of parties as right-wing and left-wing populist as well as when one of those is in national government. Accordingly, countries and voters in given years have been classified as either populist or non-populist.

Given the time dissonance between the ESS and the yearly Lewis et al. (2018) classification, in some cases there was a populist party in government during only one of the two years between ESS rounds. Those few cases were decided manually if populists were more time and more prominently in government. Furthermore, given that most populist parties were in coalition cabinets, governments were classified as populist even if populists were in government but as a minority party in terms of ministries or parliamentary votes.

Taking the aforementioned data, a new SPSS file was created with cases being countries in a given year. For example, Austria in 2018 saw a populist government — coded as 1 — and an increase in trust in national parliament of 0.47 in a scale from 0 to 10 since the previous survey in 2016. The data for control variables and voter trust is also given in the basis of the country and year, since comparison among individuals through time and countries could be more difficult in terms of method. This could create problems of auto-correlation that are explored in the Discussion section.

Furthermore, three control variables have been used to explain the effects not accounted for by the main variables. The selection of these given variables has been based on the economic and cultural explanations of the rise of populism. As seen in Algan et al. (2017), changes in unemployment are prone to see more prominent votes for anti-establishment parties and political distrust, so it seems reasonable to include unemployment change as a control variable. If we add the cultural dimension that many times is central to populist narrative, it will be useful to measure the
unemployment suffered by migrants. This is expected to boost the populist narrative of the foreign as lazy and unemployed.

Lastly, corruption is included to test for other causes of democratic distrust, corruption being a very prevalent one, especially in Eastern European countries like Bulgaria. The data for unemployment is taken from the World Bank Open Data website, from the OECD website for foreign-born unemployment and the Corruption Perception Index by Transparency International.

The statistical method used to analyse the relationship among the mentioned variables is an OLS multivariate regression. This method is quite useful in determining the extent to which the dependent and independent variables are related to each other, further accounting for the role of control variables that could make this a spurious relationship.

**Statistical Analysis:**

Firstly, Table 1 shows the results of an OLS analysis of Hypothesis 1, which links the election of populist parties to government with changes in levels of trust in national parliaments. It is important to remember that what is being measured is the expected change in trust, in contrast to absolute trust levels. In other words, we could expect an increase of 0.281 points of trust in parliament — in a scale of 0 to 10, 10 being maximum trust — by having populists in government in contrast to not having them. As the constant shows us the negative value of -0.580, we see that the trend overall of trust without populism in government is decreasing democratic trust. These results are significant at the p<0.05 level. The effect sizes are significant, since a change of around 0.3 every two years — since ESS rounds take place every other year — is quite a relevant finding.

It is also worthy to note the negative effect of unemployment change in democratic trust. Although the effect size is not as large as that of populist governments, it is nonetheless still relevant. This relates increases in unemployment levels with decreases in democratic trust, as already advanced and proven by Algan et al (2017). The Adjusted R² value tells us that only 15% of variance in trust is explained by Model 2, which is not a very high value. This calls for limitations when interpreting the data.

To test Hypothesis 2, Table 2 shows an OLS regression run including the election of populist parties and the change in trust in the EUP. When including the control variables, we can again see a positive effect of the election of populist parties on EUP trust. By having populist governments, EUP trust is expected to rise by 0.282, although this is difficult to have an effect since the constant effect size is so large. According to Model 2 and assuming stable unemployment levels, it would take more than six years of populist government to start to increase EUP trust, in other words, for
the cumulative effect of populist governments to be larger than the constant effect size. It is important to remember that ESS rounds take place every two years, meaning that the effect size seen reflects that of a two year period. Overall, we can see a statistically relevant effect at the p<0,01 level for the constant, populist governments and changes in unemployment.

### Table 1: Linear regression model of change in trust in national parliaments

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-0,004 (0,084)</td>
<td>-0,580 (0,118)</td>
</tr>
<tr>
<td>Government (Ref.= Populist not in gov.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Populists in government</td>
<td>0,299* (0,118)</td>
<td>0,281* (0,123)</td>
</tr>
<tr>
<td>Unemployment change</td>
<td></td>
<td>-0,103* (0,049)</td>
</tr>
<tr>
<td>Foreign-born unemployment</td>
<td>0,020 (0,017)</td>
<td></td>
</tr>
<tr>
<td>Corruption</td>
<td>0,004 (0,004)</td>
<td></td>
</tr>
</tbody>
</table>

| R²                  | 0,136            | 0,230            |
| Adjusted R²         | 0,115            | 0,149            |
| N                   | 42               | 42               |

*Note: OLS regression coefficients with standard errors in brackets.*

***p < 0,001, **p < 0,01, *p < 0,05

The R² adjusted value tells us that Model 2 explains around 32% of the variance of EUP trust, which is a quite acceptable explanatory level. However, as interpreted before, the results should be taken cautiously since a long period of populism or large changes in unemployment are needed to see a substantial effect.
### Table 2: Linear regression model of change in trust in the European Parliament

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-0.114</td>
<td>-0.932**</td>
</tr>
<tr>
<td></td>
<td>(0.077)</td>
<td>(0.326)</td>
</tr>
<tr>
<td>Government (Ref.: Populist not in gov.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Populists in government</td>
<td>0.325**</td>
<td>0.282**</td>
</tr>
<tr>
<td></td>
<td>(0.107)</td>
<td>(0.102)</td>
</tr>
<tr>
<td>Unemployment change</td>
<td></td>
<td>-0.124**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.041)</td>
</tr>
<tr>
<td>Foreign-born unemployment</td>
<td>0.005</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.014)</td>
</tr>
<tr>
<td>Corruption</td>
<td></td>
<td>0.010*</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(0.004)</td>
</tr>
<tr>
<td>R²</td>
<td>0.184</td>
<td>0.387</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.164</td>
<td>0.323</td>
</tr>
<tr>
<td>N</td>
<td>42</td>
<td>42</td>
</tr>
</tbody>
</table>

*Note: OLS regression coefficients with standard errors in brackets.*

***p < 0.001, **p < 0.01, *p < 0.05

Tables 3 and 4 show the results of OLS regressions linking populist and non-populist support with changes in democratic trust. Table 3 tests Sub-hypothesis 1, showing a significant relationship at the p<0.05 between populist governments and democratic trust in populist voters. Although the effect sizes are relatively large, when the Model 2 constant effect size is considered the results call for caution. It would take more than four years of populist government to start seeing positive changes in trust. Furthermore, none of the control variables sees any significant effect, and the Adjusted R² value shows that only 15% of the variance in trust is explained by Model 2. All these values call for caution when interpreting the results.
Table 3: Linear regression model of populist voters’ change in trust in national parliaments

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>-0.071 (0.158)</td>
<td>-1.045 (0.677)</td>
</tr>
<tr>
<td>Government (Ref. = Populist not in gov.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Populists in government</td>
<td>0.527* (0.207)</td>
<td>0.552* (0.220)</td>
</tr>
<tr>
<td>Unemployment change</td>
<td>-0.144 (0.083)</td>
<td></td>
</tr>
<tr>
<td>Foreign-born unemployment</td>
<td>0.046 (0.029)</td>
<td></td>
</tr>
<tr>
<td>Corruption</td>
<td>0.006 (0.008)</td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>0.153</td>
<td>0.247</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.129</td>
<td>0.155</td>
</tr>
<tr>
<td>N</td>
<td>37</td>
<td>37</td>
</tr>
</tbody>
</table>

Note: OLS regression coefficients with standard errors in brackets.

***p < 0.001, **p < 0.01, *p < 0.05

As for Sub-hypothesis 2, Table 4 shows us how no statistically significant relationship can be justified. No value has any conventionally accepted level of statistical significance, and the Adjusted R² value shows how only slightly over 3% of variance is explained by Model 2. In this case, the Null Sub-hypothesis 2 (sH0,2) can easily be accepted since no statistical relationship has been found.

As explored in the Discussion section, the following tables show the results of a linear model where country-effects are fixed. This is meant to account for the non-random variation between same-country cases, such as the corruption perception in a same country throughout different ESS rounds. As it is argued later on in this paper, these models are not taken as valid due to the nature of most of the variables under study. However, it is still relevant to understand their data.
Table 4: Linear regression model of non-populist voters’ change in trust in national parliaments

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0,048</td>
<td>-0,315</td>
</tr>
<tr>
<td></td>
<td>(0,065)</td>
<td>(0,312)</td>
</tr>
<tr>
<td>Government (Ref.= Populist not in gov.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Populists in government</td>
<td>0,160</td>
<td>0,154</td>
</tr>
<tr>
<td></td>
<td>(0,091)</td>
<td>(0,098)</td>
</tr>
<tr>
<td>Unemployment change</td>
<td>-0,057</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0,039)</td>
<td></td>
</tr>
<tr>
<td>Foreign-born unemployment</td>
<td>0,011</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0,014)</td>
<td></td>
</tr>
<tr>
<td>Corruption</td>
<td>0,003</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0,003)</td>
<td></td>
</tr>
<tr>
<td>$R^2$</td>
<td>0,070</td>
<td>0,124</td>
</tr>
<tr>
<td>Adjusted $R^2$</td>
<td>0,047</td>
<td>0,031</td>
</tr>
<tr>
<td>N</td>
<td>42</td>
<td>42</td>
</tr>
</tbody>
</table>

Note: OLS regression coefficients with standard errors in brackets.

***p < 0,001, **p < 0,01, *p < 0,05

Model 1 of Table 5 shows a significant relationship between populist governments and changes in democratic trust, although with a very low Adjusted $R^2$ level. However, when we add the control variables, the effect of unemployment changes takes the significance that in Model 1 populist governments used to have, pointing to unemployment being a better variable to understand changes in trust.
Table 5: Fixed effects linear model of change in trust in national parliaments

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0.040</td>
<td>1.141</td>
</tr>
<tr>
<td></td>
<td>(0.199)</td>
<td>(2.286)</td>
</tr>
<tr>
<td>Government (Ref.= Populist not in gov.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Populists in government</td>
<td>0.640**</td>
<td>0.358</td>
</tr>
<tr>
<td></td>
<td>(0.178)</td>
<td>(0.219)</td>
</tr>
<tr>
<td>Unemployment change</td>
<td>-0.163*</td>
<td>(0.079)</td>
</tr>
<tr>
<td>Foreign-born unemployment</td>
<td>0.027</td>
<td>(0.043)</td>
</tr>
<tr>
<td>Corruption</td>
<td>-0.018</td>
<td>(0.029)</td>
</tr>
<tr>
<td>R²</td>
<td>0.346</td>
<td>0.450</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.068</td>
<td>0.112</td>
</tr>
<tr>
<td>N</td>
<td>47</td>
<td>42</td>
</tr>
</tbody>
</table>

Note: OLS regression coefficients with standard errors in brackets.
***p < 0.001, **p < 0.01, *p < 0.05

Table 6 explores the relationship between EUP trust and populist governments election. Both models show a high degree of statistical significance for the main independent variable, populist governments. In addition, a high Adjusted R² value also shows a high degree of explanatory power of both models.
Table 6: Fixed effects linear model of change in trust in the European Parliament

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td>0.030</td>
<td>1.206</td>
</tr>
<tr>
<td></td>
<td>(0.158)</td>
<td>(1.739)</td>
</tr>
<tr>
<td>Government (Ref.= Populist not in gov.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Populists in government</td>
<td>0.757***</td>
<td>0.501**</td>
</tr>
<tr>
<td></td>
<td>(0.142)</td>
<td>(0.167)</td>
</tr>
<tr>
<td>Unemployment change</td>
<td>-0.105</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.060)</td>
<td></td>
</tr>
<tr>
<td>Foreign-born unemployment</td>
<td>-0.042</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.033)</td>
<td></td>
</tr>
<tr>
<td>Corruption</td>
<td>-0.013</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(0.022)</td>
<td></td>
</tr>
<tr>
<td>R²</td>
<td>0.581</td>
<td>0.636</td>
</tr>
<tr>
<td>Adjusted R²</td>
<td>0.403</td>
<td>0.412</td>
</tr>
<tr>
<td>N</td>
<td>42</td>
<td>42</td>
</tr>
</tbody>
</table>

Note: OLS regression coefficients with standard errors in brackets.
***p < 0.001, **p < 0.01, *p < 0.05

Discussion and Limitations:

With the results in hand, we can reject the Null Hypothesis 1 since populist governments and unemployment change are found to have a statistically significant effect on changes in trust on national parliaments. Similarly, we can also reject the Null Hypothesis 2 since populist governments and unemployment change are also seen to have a statistically significant relationship with EUP trust change. As for the sub-hypotheses, Null Sub-hypothesis 1 is rejected since democratic trust in populist voters is seen to have a statistically significant effect with populist governments. However, we have to reject the Alternative Sub-hypothesis 2 since there is no statistically significant relationship between non-populist democratic trust and populist governments, nor any other control variable.
Having examined the significance, the effect sizes point to a difficult interaction between populist governments, unemployment and the model constants. Although significant results can be seen, the effect sizes of populist governments tend to be smaller than the model constants, being around half of its value. In addition to ESS rounds taking place every 2 years, this would mean that with stable unemployment, it could take more than 4 years for populist governments to have noticeable effects on democratic trust. However, if populist governments are coupled with large reductions of unemployment, we could see an overall increase of democratic trust. Since this paper tries to study diffuse trust, this is in line with the wider assumption of a multi-faceted, slow-changing trend, pointing to a success in measuring diffuse instead of specific trust.

By analysing the difference between populist and non-populist voters it is also noteworthy that it is populist voters whose democratic trust is renewed. In contrast, non-populist voters do not see such an effect. Hence, it is reasonable to conclude that democratic trust would increase in countries overall mainly because it rises among populist voters which tend to have low democratic trust levels. This could have further policy-making implications.

EUP trust levels have been used as a proxy for Euro-skepticism, and it appears to have a relationship with unemployment performance and populist governments. This is a counterintuitive finding since many times extreme right-wing populists take a very anti-EU stance and government positions should exacerbate that rhetorical discourse. As a consequence, this relationship is in need of further, more detailed research. Furthermore, as it is the case with trust in national parliaments, it could possibly be that EUP trust is not the most appropriate variable to measure pro-European attitudes but rather a misguided perception of supranational elites in a more general vision.

A further discussion on the limitations of the findings would be appropriate. Although most of the calculations have shown significant results in the relevant values, we cannot easily conclude that populist governments lead to an increase in democratic trust. The first caveat is in the statistics themselves. The Adjusted $R^2$ value is quite low for most models, only surpassing 30% when studying EUP trust. This would point to other factors that would explain better variation in trust than government composition. The fact that the only control variable with significant results is unemployment variation could point to an equivocal choice of control variables or the omission of other relevant indicators such as parliamentary activity and popular recognition or corruption and political scandals. Hence, further calculations could help clarify this section.

In addition, the effect that unemployment reduction can have on trust is also noteworthy. In Tables 1 and 2, where unemployment reduction sees a significant effect on trust, a 2% absolute reduction of this indicator would have a similar effect as 2 years of populist government. This
greatly reinforces Algan et al.’s (2017) argument of unemployment changes as big predictors of trust changes, even reasonably surpassing the effect caused by populist governments.

Another caveat in order is the measuring itself of the variables of interest. It could be the case that measuring trust in national parliaments is not the best measurement unit to explore diffuse democratic trust and instead respondents answer according to a specific trust framework. In this way, the trust variable would be measuring trust in individual parliaments instead of democracies overall. Although this would still be relevant theoretically, maybe it would not be as much as what is intended to be measured. However, it is considered that since parliaments are not always known in detail by the general public (Reference), they might reflect their beliefs on the system overall in an institution meant to represent the ensemble of the nation.

Furthermore, it is possible that many other explanations for the changes in trust have not been accounted for. Most relevantly, economic performance might be linked to democratic trust overall, hence linking the subjective rulings on living conditions and democratic satisfaction. This has been tried to be accounted for by adding unemployment into the control variables — which has proven to be quite suitable. However, perhaps other economic indicators like PPP GDP per capita, disposable income or economic stability could be considered as potential explanatory causes. This remains an explanatory path for further research.

Another research design limitation is the small number of cases under study. With forty-two cases — formed by a country in a specific year — some ESS rounds did not include the relevant values for the analysis or did not include the country as a whole. This could be problematic when extracting large-scale conclusions, and further research should find more data entries to avoid such a problem.

Lastly, the role of fixed effects has to be discussed. Their inclusion would be meant to counteract the failure to accomplish the first and most important assumption of the OLS regression: independent errors. Given that most of the cases used are the same countries in different years, the values could suffer a country-dependence in the sense that a same or similar value would be repeated multiple times for the same indicator due to the limited country variance throughout the years. For example, if Bulgaria scored an 3,2 in democratic trust we should expect this value to be somewhat similar in the coming years. This could violate the assumption of independent errors, and a fixed effects linear relationship analysis could compensate for country-based bias.

However, this line of analysis is not given preference and that is why the results of the fixed effects linear model are not interpreted too thoroughly; however, they are left for the reader to examine its possible validity. The grounds on which this approach was dismissed is in the nature of
the most relevant variables: four out of the eight variables used defined change between years, which means that the bias coming from inner-country non-variance should not happen. In other words, the dependent variable’s values are clustered around zero, but this is not due to country effects but rather the design of the variable. Hence, by fixing the effect on a country basis we would be distorting the variance naturally occurring in our inter-year change variables. Although it is true that two control variables specifically (corruption perception and immigrant unemployment) could be subject to this bias, they are not found to be statistically significant in any analysis; as a consequence, fixing effects on a country basis would harm explanatory power more than it would increase it. Furthermore, the Durbin-Watson test for auto-correlation did not point at any concerning values that would signify a violation of the aforementioned assumption — see Appendix B.

**Conclusion and Implications:**

As of December 2020, extreme right-wing populism remains one of the main axes of dissent in Europe. The Hungarian and Polish governments act as the most prominent voices of an ideology criss-crossing national borders and with differing ideals and goals, but a common feeling of discontent with the current *status quo*. Although the effects on democratic institutions in their respective countries is objectively noticeable and quantifiable, their effects on citizen attitudes and preferences has not been thoroughly studied for it being such a recent phenomenon. However, this paper tries to shed light into the effects we can expect from potential populist governments in Europe and potentially further away.

First and foremost, the effect that populist governments have been found to have on democratic trust is a moderate positive one acting through the years, meaning that short-lived governments are not expected to have significant effects on citizen attitudes. This moderately positive effect can be emphasised with large unemployment reduction, which is found to have a relatively important impact on democratic trust. As a consequence, a combination of long periods of populism and unemployment reduction can be expected to see higher levels of democratic trust, at least according to the analysis conducted.

In separating the analysis between populist and non-populist voters the effects of populist governments can be more clearly interpreted. The moderate positive effect in democratic trust seen in polities overall is explained by that very same trend being found in populist voters, leading to the conclusion that it is that segment of the population that sees increases in diffuse trust when their politicians are elected. This can be attributed to the theory of election winners and losers, and assume that they did not feel like winners in previous elections. It can also mean a conjunction of
diffuse and specific trust for that segment of voters, which could share a more radical vision of the whole system being good or bad judged on the basis of which party is in power.

As for the future implications in policy and research, some conclusions can be obtained for those who want to prevent extreme right-wing populism or are concerned by their rise. In the first place, the results show that populism could not be so worrying as some media pundits and mainstream politicians portray it to be. With the results in hand, the election of populist governments might not be the beginning of a slippery slope towards democratic de-consolidation, but rather a demand of distrusting citizens to see someone who thinks and talks like them in the major institutions of the country. As seen in the statistical analysis, populists can be « regained » for the democratic cause if they see themselves represented in the institutions and employment opportunities exist. Although this study did not consider the institutional effects of populism, its impact on democratic attitudes is not proven to be excessively worrying.

Secondly, the results would suggest that a larger focus on economic policy than cultural explanations would be more efficient in competing against or preventing populism. If democratic trust is recovered when unemployment levels are lower, mainly in populist voters, a reduction of unemployment could lead to populists not even being relevant politically in the first place, in line with Algan et al.’s (2017) argument. As a consequence, mainstream politicians could drop the anti-nationalist rhetoric portraying the establishment as the only system possible and demonising populist voters, and instead focus on how new jobs can be created for the unskilled masses in the globalised, automatised, diverse Twenty-First Century.

In terms of research, a more detailed study of the mechanism linking Euro-skepticism and populist governments would be useful for the European Integration literature. More specifically, which are the ways through which pro-EU feelings are spread in the populist crowd and who are the relevant actors in such a trend. It would also be interesting to expand this very research design into more contexts such as the United States of America, Bolsonaro’s Brazil or emerging India. Are these trends also perceived in such places or is it just a passing, European trend? Finally, a more detailed research design in the same setting would be appropriate. A larger-N study or the inclusion of more control variables and democratic trust measurements could greatly help this theoretical argument.

This paper should help European societies move past the stage where populism was considered as an existential threat to a specific perception of Europe and instead advance towards a more detailed understanding of the voices of millions of Europeans that claim, now also with their votes, that something is not working for them. Instead of offering messianic solutions, identitarian
guerrilla war and cable-TV formatted politics, politics should go back to objectively look at the societal actors asking for change and the ways in which we can collectively and constructively improve our polities leaving no citizen behind.

Pau Gómez-Martínez; December 18, 2020

Acknowledgements:

I thank my parents and my family in the first place, since I would have not been able to get here without them. I thank my friends and my girlfriend for supporting me through thick and thin, and all of the people who gave me feedback and helped make this a very fulfilling project. On the academic side, my supervisor has always been a very supportive guide and an insightful reader. Finally, I thank the support given by Frank Wanders from ProDemos as well as Tim Mickler and Leila Demarest from Leiden University.
References:


Appendix A: SPSS Syntaxes

Link to the SPSS dataset used:
https://drive.google.com/file/d/1q5ceIq9R4C1GfwJhIRJGqaLDWmJgy1Op/view?usp=sharing

Table 1:
Dependent variable: Change in trust in parliament; Independent variable: Populists in government & control variables
REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT Trust_chang
/METHOD=ENTER Pop_gov
/METHOD=ENTER Unem_chang Unem_immi Corruption.

Table 2:
Dependent variable: EUP Trust change; Independent variable: Populists in government & control variables
REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT Trst_EP_ch
/METHOD=ENTER Pop_gov
/METHOD=ENTER Unem_chang Unem_immi Corruption.

Table 3:
Dependent variable: Populist voters trust change; Independent variable: Populists in government & control variables
REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT Pop_tr_ch
/METHOD=ENTER Pop_gov
/METHOD=ENTER Unem_chang Unem_immi Corruption.

Table 4:
Dependent variable: Non-populist voters trust change; Independent variable: Populists in government & control variables
REGRESSION
/MISSING LISTWISE
/STATISTICS COEFF OUTS R ANOVA
/CRITERIA=PIN(.05) POUT(.10)
/NOORIGIN
/DEPENDENT Non_tr_ch
/METHOD=ENTER Pop_gov
/METHOD=ENTER Unem_chang Unem_immi Corruption.
Appendix B: OLS Assumptions Tests

Table 1:
- **Independent errors**: Durbin-Watson test, around 2 is good: 2.102
- **Multicollinearity**: Collinearity diagnostics, Variance Inflation Factor, should be below 5: YES

<table>
<thead>
<tr>
<th>VIF Values Table 1</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Populist government</td>
<td>1.0</td>
<td>1.130</td>
</tr>
<tr>
<td>Change in unemployment</td>
<td>-</td>
<td>1.517</td>
</tr>
<tr>
<td>Corruption perception</td>
<td>-</td>
<td>1.207</td>
</tr>
<tr>
<td>Immigrant unemployment</td>
<td>-</td>
<td>1.326</td>
</tr>
</tbody>
</table>

- **Non-linearity**: Scatterplot: should look random, not curvilinear: YES
- **Heteroskedasticity**: the variance of the residuals is different at each level, same scatterplot: YES, except populist governments which can be attributed to 0/1 values

![Scatterplot](image)

Dependent Variable: Change in trust from the previous survey
- **Normality of errors**: normality plot: good if close to the line: **YES**

- **Outliers or influential cases**: Casewise diagnostics: not applicable, small number of values

Table 2:
- **Independent errors**: Durbin-Watson test, around 2 is good: **2.423**
- **Multicollinearity**: Collinearity diagnostics, Variance Inflation Factor, should be below 5: **YES**

<table>
<thead>
<tr>
<th>VIF Values Table 2</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Populist government</td>
<td>1.0</td>
<td>1.130</td>
</tr>
<tr>
<td>Change in unemployment</td>
<td>-</td>
<td>1.517</td>
</tr>
<tr>
<td>Corruption perception</td>
<td>-</td>
<td>1.207</td>
</tr>
<tr>
<td>Immigrant unemployment</td>
<td>-</td>
<td>1.326</td>
</tr>
</tbody>
</table>

- **Non-linearity**: Scatterplot: should look random, not curvilinear: **YES**
- **Heteroskedasticity**: the variance of the residuals is different at each level, same scatterplot: **YES**
- **Normality of errors;** normality plot: good if close to the line: **YES**

- **Outliers or influential cases;** Casewise diagnostics: not applicable, small number of values

Model 3:
- **Independent errors;** Durbin-Watson test, around 2 is good: **1.925**
- **Multicollinearity;** Collinearity diagnostics, Variance Inflation Factor, should be below 5: **YES**

<table>
<thead>
<tr>
<th>VIF Values Table 3</th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Populist government</td>
<td>1.0</td>
<td>1.164</td>
</tr>
<tr>
<td>Change in unemployment</td>
<td></td>
<td>1.562</td>
</tr>
</tbody>
</table>
- **Non-linearity**: Scatterplot: should look random, not curvilinear: **YES**

- **Heteroskedasticity**: the variance of the residuals is different at each level, same scatterplot: **YES**

- **Normality of errors**: normality plot: good if close to the line: more or less, attributed to the low number of cases

- **Outliers or influential cases**: Casewise diagnostics: not applicable, small number of values

Model 4:

- **Independent errors**: Durbin-Watson test, around 2 is good: **2.301**

- **Multicollinearity**: Collinearity diagnostics, Variance Inflation Factor, should be below 5: **YES**
- **Non-linearity**: Scatterplot: should look random, not curvilinear: **YES**
- **Heteroskedasticity**: the variance of the residuals is different at each level, same scatterplot: **YES**

### VIF Values Table 4

<table>
<thead>
<tr>
<th></th>
<th>Model 1</th>
<th>Model 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Populist government</td>
<td>1.0</td>
<td>1.130</td>
</tr>
<tr>
<td>Change in unemployment</td>
<td>-</td>
<td>1.517</td>
</tr>
<tr>
<td>Corruption perception</td>
<td>-</td>
<td>1.207</td>
</tr>
<tr>
<td>Immigrant unemployment</td>
<td>-</td>
<td>1.326</td>
</tr>
</tbody>
</table>
- **Normality of errors;** normality plot: good if close to the line: YES

- **Outliers or influential cases;** Casewise diagnostics: not applicable, small number of values