POPULISM
AND THE
WEALTH PARADOX

WHY THE ECONOMICALLY WELL-OFF VOTE FOR POPULIST PARTIES

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The year 2016 turned out to be a year of surprise election and referendum results in the Western world, with Pauline Hanson’s populist *One Nation* party making a comeback in Australia, British voters (because of growing concerns over immigration) choosing to leave the EU, and U.S. voters electing Donald Trump as their next President. In the aftermath of these developments, the more recent 2017 elections in the Netherlands and France (held in March and May respectively) became regarded as the bellwether for those interested in the question of whether the Western world is witnessing what could be described as a global ‘populist spring’.

The election outcomes in the latter countries were less dramatic than many predicted. In the Netherlands, it was Mark Rutte’s mainstream liberal-conservative *Party for Freedom and Democracy* (VVD) that could claim the overall victory. In France it was ‘*En Marche*’ leader Emmanuel Macron who, after two rounds of presidential elections, could collect the keys to the Elysée palace. Because in each case the populist candidate performed less well than the polls had predicted, these results were regarded as ‘bucking the global trend’.

What should not be forgotten, though, is that in both cases the populist party or candidate gained significant ground. In the Netherlands, Geert Wilders’ *Party for Freedom* (PVV) secured an additional five seats in Dutch Parliament (bringing the party’s total number of seats to 20). In France, Marine Le Pen set a new record, securing 33.9% of the vote in the second round of the presidential elections, albeit running as an independent rather than *Front National* candidate. When considering these numbers, it becomes clear that it would be premature to interpret these election results as a sign populism is receding after its peak in 2016.
For populism researchers, the current strong surge in support for populist parties is rather perplexing. This is because it runs counter to the widely accepted assumption that populist leaders and radical ‘fringe’ parties will struggle to break through what can be described as an electoral ‘glass ceiling’. According to this traditional view, populist leaders and parties will struggle to secure more than ca. 20% of the vote because their message will not appeal to ‘the median voter’. This is why, so the argument typically went, their fate is to be integrated into the more moderate mainstream, or to remain in ‘permanent opposition’ (Mény & Surel, 2001).

For us the remarkable surge in populist voting (and evidence populist parties can break through the glass ceiling) came much less as a surprise. This is because we spent several years scrutinizing two pervasive and persistent assumptions that dominate in the mainstream populism literature. The first assumption is that economic crises provide ‘fertile soil’ for populist parties and leaders. According to this assumption, we should expect populist parties to do well electorally in time of economic crisis, and to loose support when the economy is not a cause for concern. During economic crises, so the argument typically goes, outgroups become regarded as a threat because competition over scarce resources (jobs, housing, welfare benefits etc.) intensifies.

The second and closely related assumption is that populist parties are in particular popular among poorer working-class voters who feel disenfranchised because they are ‘doing it tough’ financially. As a result of feeling relatively deprived, it is predicted that this segment of society should be most concerned about immigration and job losses, and they should therefore be most inclined to vote for a populist leader or party, especially if the economy slows down. The logic that underpins this view is the idea of a causal chain reaction, which begins with ‘relative deprivation’, and ends with ‘frustration’, ‘aggression’ and ‘lashing out’ (scapegoating) third parties (Esses, Jackson, & Armstrong, 1998).

We analysed the appeal of populist parties for many years, and what surprised us most was the remarkable lack of evidence for the conventional wisdom view that economic crises provide fertile soil for populist parties. More specifically, our analyses of long-term voter pattern (from the 1970s onwards) in west European countries revealed not only that there is no correlation between economic conditions (e.g. GDP per capita and unemployment rates) and populist anti-establishment voting, but also, and more surprisingly, that populist parties
can be remarkably successful in times of economic growth and prosperity. Indeed, the rather startling evidence we gathered, published in our book ‘The Wealth Paradox’ (Mols & Jetten, 2017), showed unequivocally that populist parties can be successful in times of a country’s economic boom (see also Mols & Jetten 2015).

We also examined whether surges in populist voting correlated with peaks in immigration and asylum-seeking, but found no such correlation. The current Syrian refugee crisis may well be an exception to this rule, this because immigration from the Middle East has become associated with the ‘war on terror’ and fear for radical Islam. However, it is clear from the longitudinal data we analyzed that it would be wrong to assume that there exists an automatic link between populist voting and peaks and troughs in immigration.

Tests of the second assumption also revealed an interesting pattern of results. Specifically, we found that populist parties do indeed attract support from frustrated working-class voters who endure hardship (those enduring ‘relative deprivation’). However, and this was not expected on the basis of classic theorising, we found that these parties also attract significant support from middle-class voters with above average wealth and income (those enjoying ‘relative gratification’). How can we explain this rather unexpected finding? At first blush, one would expect affluent people to be more welcoming towards immigrants, this because they are not in direct competition with them over scarce resources.

In our book, we reviewed explanations for why wealthy people are drawn to populist parties and identified a range of psychological reasons. We found that support for populist parties among this segment of society increases the more the wealthy feel they are not climbing the wealth ladder fast enough, the more they experience status anxiety and the fear that they might lose their wealth in the future (i.e., ‘fear of falling’), and/or the more they feel a sense of entitlement because they feel they were instrumental in building the country. All these processes might explain why those with above average wealth are not all that generous towards those less well off and why, under particular conditions, they can be especially harsh towards those in need.

Our findings fit well with other research that has shown that those on higher incomes tend to donate less generously (Piff, Kraus, Côté, Cheng & Keltner, 2010), and that they engage more frequently in anti-social behaviours (e.g. cheating, shop-lifting, speeding in traffic) than
people on lower incomes (Piff, Stancato, & Côté, 2012; see also Piff, Stancato, & Horberg, 2016). Indeed, here too the research evidence runs counter to received wisdoms. We may expect wealthy people to make more ethical choices (because they can afford it financially), but the available evidence tells a rather different, more complex story.

In our book we present body of evidence pointing to what we describe as the Wealth Paradox—i.e., the wealthy being harsher than the poor despite the fact that their wealth should make it easier for them to be generous and care free. For example, we cite public opinion research conducted by IPSOS in 2010, which showed that Dutch Party for Freedom (PVV) voters are more likely to be found among those who earn more than average, not less. We also considered research into electoral support for Hitler’s Nazi Party (NSDAP) and discovered studies showing support was strongest in depressed working-class regions (e.g. Thuringia) and in affluent protestant rural areas, such as Schleswig-Holstein, Mecklenburg, Pomerania and East Prussia, but weaker in the industrialized regions of Ruhr and Hamburg (Geary, 2002; O’Loughlin, Flint & Shin, 1995). Perhaps more striking is a study what showed support for the NSDAP was highest in the seven upper middle-class precincts of the city Braunschweig, with levels of support ranging from 61% to 65.5% (Hamilton, 1984). These observations are backed up with experimental data from our own research (Jetten, Mols, & Postmes, 2015), which showed that those who are made to feel wealthy in a laboratory context are more opposed to immigration than those who were made to feel poorer (see also Grofman & Muller, 1973; Guimond & Dambrun, 2002).

It is in our view worth reflecting on the pervasiveness of the idea that populism is a working class phenomenon that manifests itself in times of economic crises. To appreciate this one only needs to consider the countless times reporters and other commentators described Trump’s support base as the ‘losers of globalization in rust-belt states’, and the few times this interpretation was being questioned. What is more, there was clear ‘confirmation bias’ in the way in which the media reported Trump’s election campaign. Rather than to gauge the mood among relatively wealthy retirees in wealthy parts of the country, television reporters flocked en-masse to poorer states such as Pennsylvania to capture the mood among unemployed manual workers, whereby interviews were often recorded in front of derelict houses and factories. Indeed, the fact that so few commentators predicted a Trump victory
may well have to do with this strong focus on Trump’s popularity among the poor, and a lack of attention for Trump’s popularity among the relatively well-to-do.

There was also considerable confirmation bias during the 2017 French Presidential elections. The final results of the first round had only just been announced when the first election result maps were posted on-line showing Marine Le Pen had won the majority of départements in the North, East, and South. Macron, on the other hand, had won the majority of departments in the West and the Centre. This pattern was immediately viewed through ‘losers of globalization lens’, and attributed to working class hardship. Some commentators even described the regions won by Marine Le Pen as ‘France’s Rustbelt’. However, when examining the actual poverty levels in different municipalities, it becomes immediately clear that there is no straightforward relationship between areas suffering economic hardship and Le Pen voting. Rather, what becomes apparent is that there are many poor regions in the country’s Centre where Macron secured a victory, and many more wealthy regions with low levels of poverty in the North-East and East where Marine Le Pen could claim victory.

Thanks to more recent Gallup-poll analyses, we now know that Trump voters do not earn less than average, but more than average (Rothwell & Diego-Rosell, 2016). We now also know from exit-poll research that lower middle-class voters were more likely to vote ‘leave’ in the 2016 UK Brexit referendum than voters who identified as working-class (Dorling, 2016). Such patterns will startle those relying on old received wisdoms about populism. However, as we show in ‘The Wealth Paradox’ this pattern is more common than we think, and we hope that our work, with its extensive (historical and experimental) empirical evidence of a link between prosperity and populist voting, will prove useful for those trying to make sense of this seemingly contradictory, counterintuitive pattern.

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REFERENCES


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