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ABSTRACT

Migrants' Self-Selection and the Vicious Circle of Right-Wing Populism*

We test whether the level of right-wing populism in a given country influences the size and skill composition of its immigration and emigration flows. To do so, we use an instrumental variable approach, where we instrument variations in right-wing populism using a combination of collective memory, represented by the average vote share of right-wing parties between 1900 and 1950, and trigger variables, such as economic insecurity shocks. Our results show that an increase in right-wing populism leads to a decrease in the inflow of college-educated migrants, and this relationship is twice as strong as the effect on the inflow of low-skilled migrants. To a lesser extent, we also find that right-wing populism leads to an increase in high-skilled emigration, while leaving low-skilled emigration unaffected. These effects are not necessarily associated with the election of a populist government or stricter migration policies, suggesting that both in- and out-migration decisions may be influenced by the broader political climate and prevailing voter attitudes. As a result, right-wing populism tends to lower the average educational attainment of both immigrants and left-behind voters, which helps explain the persistence of right-wing populism despite its proven negative impact on the economy.

JEL Classification: D72, F22, F52
Keywords: immigration, emigration, selection, right-wing populism

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1 Introduction

Populism appears to be at an all-time high, according to several political indicators (Docquier et al., 2023, Funke et al., 2023, Guriev and Papaioannou, 2022, Rodrik, 2018). Of particular concern is the rise of right-wing populism in Europe, where populist parties have been gaining votes and visibility since the early 1990s. Previous research has shown that low levels of human capital among voters and large inflows of low-skilled immigrants are key determinants of support for right-wing populist parties (Docquier et al., 2023, Edo et al., 2019, Moriconi et al., 2019, 2022). In this paper, we turn the question around and empirically investigate the impact of right-wing populism on the skill structure of immigration and emigration flows and its potential dynamic effects on the population. In particular, we examine whether right-wing populism leads to a potential reduction in the overall educational attainment of immigrant populations, as college-educated foreigners may be more sensitive to institutional factors and prevailing attitudes toward immigrants when deciding whether and where to emigrate. We also examine the extent to which right-wing populism induces a "brain drain" phenomenon, whereby highly educated natives are more likely to reject populist ideologies and opt for emigration. If this is the case, right-wing populism could lower the average education levels of both immigrants and voters, creating a vicious cycle in which populist parties thrive under these conditions.

To address this question, we combine data on right-wing populism with various proxies for dyadic skill-specific migration flows and test whether the level of right-wing populism in the destination (and origin) country influences skill-specific immigration (and emigration) flows. We use a standard measure of populism such as the sum of the vote shares of parties classified as right-wing populist – referred to as the volume margin of populism – as well as a continuous measure of the overall exposure of voters to right-wing populism in a given election – referred to as the mean margin and computed as the vote-weighted scores of right-wing populism for all parties running in an election (Docquier et al., 2023). As for skill-specific migration flows, they are not directly observable, but can be approximated by combining annual migration flow data with data on the skill distribution of migrants from each country of origin. This information is obtained from the nearest available census in the destination country. Recognizing that the quality of migration data may not be as high as desired, we also include alternative proxies for skill-specific migration flows to increase the robustness of our analysis.

To deal with endogeneity concerns, we use an instrumental variable approach, instrumenting variations in right-wing populism using a combination of collective memory and trigger variables (in line with Cantoni et al., 2021, Fouka and Voth, 2022). Our hypothesis is that economic insecurity leads to dissatisfaction and distrust in democratic institutions, and is more likely to translate into a rise in right-wing populism in countries with a latent level of intolerance or identity-based nationalism. The latter countries are those that experienced far-right episodes in the first half of the 20th century. The instrument works well and passes parallel pre-trend tests.

Our second-stage results confirm that right-wing populism changes the size and structure of migration flows in the expected direction. In our benchmark regressions, a one standard deviation increase in the mean margin of populism reduces high-skilled immigration flows by 30 to 34 percent, while it reduces low-skilled immigration flows by 11 to 17 percent. Consistently, a 10 percent increase in the vote share of right-wing populist parties leads to a 27 percent decrease in high-skilled immigration and a 16 percent decrease in low-skilled immigration. Right-wing populism thus affects the way immigrants self-select and sort across destinations. Our interpretation is that the location decisions of high-skilled workers are likely to be influenced by the political climate in the host country; they may be reluctant to move to countries where voters and parties hold strong nationalist and anti-immigration views. In contrast, low-skilled workers and migrants from countries with large diasporas have fewer options and are less likely to change their location decisions.

Shifting our focus to the responses of native voters, the effects are smaller but point in the same direction of a decline in human capital. A one standard deviation increase in the mean margin of populism leads to a 10 to 15 percent increase in high-skilled emigration (half the effect found for immigration), while having no significant effect on low-skilled emigration. Similarly, a 10 percent increase in the vote share of right-wing populist parties increases high-skilled emigration by 1 to 2 percent (ten times less than the effect on immigration), with no discernible effect on low-skilled emigration.

These results do not necessarily hold during periods of right-wing populist leadership or when new measures are enacted to tighten migration policies. This implies that migration decisions are likely to be shaped by the prevailing political climate, in particular voters' attitudes toward immigration, national identity, and political elites. In this respect, the ideology of right-wing populism actively encourages the creation of echo chambers, as the departure of individuals who might have expressed greater dissatisfaction with anti-establishment and nationalist ideas further solidifies its unchallenged presence.

Our findings provide the first empirical evidence to support the anecdotal accounts reported in the media. For example, the age of Donald Trump provides examples of how U.S. travel bans have led to a decline in foreign enrollment in universities;[1] the lack of funding for climate science has led to the emigration of researchers;[2] and the general anti-immigration atmosphere may have caused Indian workers to leave big tech companies for Canada and India.[3] Similarly, Hungary's political situation and corruption since 2010 have influenced people's decisions to seek work abroad.[4] The brain drain from the UK after

[1]See Anne O. Krueger's article "Trump's brain drain" in Project Syndicate (Jan. 15, 2019).

[2]See Tod Zwillich's article "Climate Science 'Brain Drain' Speeds Up in Trump Era" in the Takeaway (Dec. 14, 2017).

[3]See Suzanne Sataline's article "Trump Has Started a Brain Drain Back to India" in Foreign Policy (Sept 22, 2017).

[4]See Benjamin Novak's article "Hungary's brain drain: young and highly educated leaving in droves" in the Budapest Beacon (Nov 17, 2015).

the Brexit vote is also a topic of discussion.[5] Last but not least, the threat to academic freedom and personal liberty has driven academics to emigrate in Erdogan's Turkey.[6] By examining these anecdotal facts across a sample of 55 countries, 628 elections, and a span of 60 years, our study reveals a mechanism that contributes to the snowballing effect of right-wing populism, despite its proven detrimental effects on local and national economies (as evidenced in Bellodi et al., 2023b, Funke et al., 2023).

We contribute to the existing literature on populism and migration. Most studies focus on how the presence of immigrants in a given area affects voters' political preferences. They find that immigrant inflows tend to increase the vote share of far-right, nationalist parties in a given location. Evidence for such an effect has been found in a variety of contexts, including the United States (Mayda et al., 2022), France (Malgouyres, 2017), the United Kingdom (Becker and Fetzer, 2016, Becker et al., 2017, Colantone and Stanig, 2018), and Germany (Dippel et al., 2015), Italy (Barone et al., 2016), Spain (Mendez and Cutillias, 2014), Austria (Halla et al., 2017), Denmark (Dustmann et al., 2019, Harmon, 2018), Switzerland (Brunner and Kuhn, 2018), the city of Hamburg (Otto and Steinhardt, 2014), or Western Europe in general (Guiso et al., 2017). Studies decomposing migration flows along the skill dimension suggest that these effects are driven by low-skilled immigration (Edo et al., 2019, Moriconi et al., 2019, 2022). In particular, Docquier et al. (2023) find that low-skilled immigration shifts votes from left-wing to right-wing populist parties, while high-skilled immigration tends to reduce the level of right-wing populism.

In contrast, two studies focus on the reverse causal effect of local election results on net immigrant flows. Their identification strategy is to focus on mayoral elections where the margin of victory was close. They rely on a regression discontinuity design that compares municipalities that narrowly elected one type of mayor with municipalities that narrowly elected another type of mayor. The differences between the two capture the local treatment effect of electing a particular type of mayor. Schmutz and Verdugo (2023) use data from French municipalities over three decades (1982-2014) and test whether variations in the share of immigrants are affected by electing a left-wing rather than a right-wing mayor. They find important effects within 6 years (+1.5 pp) and 12 years (+3.0 pp), mostly driven by partisan differences in public housing construction and changes in the composition of the population within existing public housing. Bracco et al. (2018) examine how the rise of the populist and anti-immigrant Northern League party in northern Italy affected immigrants' location decisions between 2000 and 2014. They find that the election of a Lega Nord mayor discouraged immigrants from moving to municipalities, especially smaller and less educated ones. The mechanisms at work were to create an unwelcoming environment for immigrants to settle and integrate.

More in line with our analysis, two other recent studies disaggregate the mobility

[5]See Robin McKie's article "UK scientists fear brain drain as Brexit rows put research at risk" in The Guardian (Feb 27, 2022).

[6]See article on "Brain drain among Turkish academics is at alarming levels" in DuvaR.english (Apr 12, 2023).

responses to populism by skill group. Bellodi et al. (2023a) test whether local exposure to populism after Italian national and local elections affects net population movements. They find that exposure to populist attitudes and policies reduces the attractiveness of municipalities, leading to larger population outflows, particularly among young and highly educated natives from small municipalities. Bacher (2023) uses a generalized synthetic control approach to show that right-wing populist leaders implement more restrictive migration policies, leading to a decrease in the growth rate of migration inflows, especially for the low-skilled. We go beyond these two studies by examining international migration responses along the skill dimension, comparing the responses of natives and foreigners to right-wing populism. We also take into account that migration responses may be affected by the average prevalence of right-wing populist ideology without necessarily implying episodes of populist leadership, which are relatively rare during our period of interest. Our rationale is that populist ideas are not limited to populist parties, but can also spread to traditional (or non-traditional) parties that are not explicitly labeled as populist.

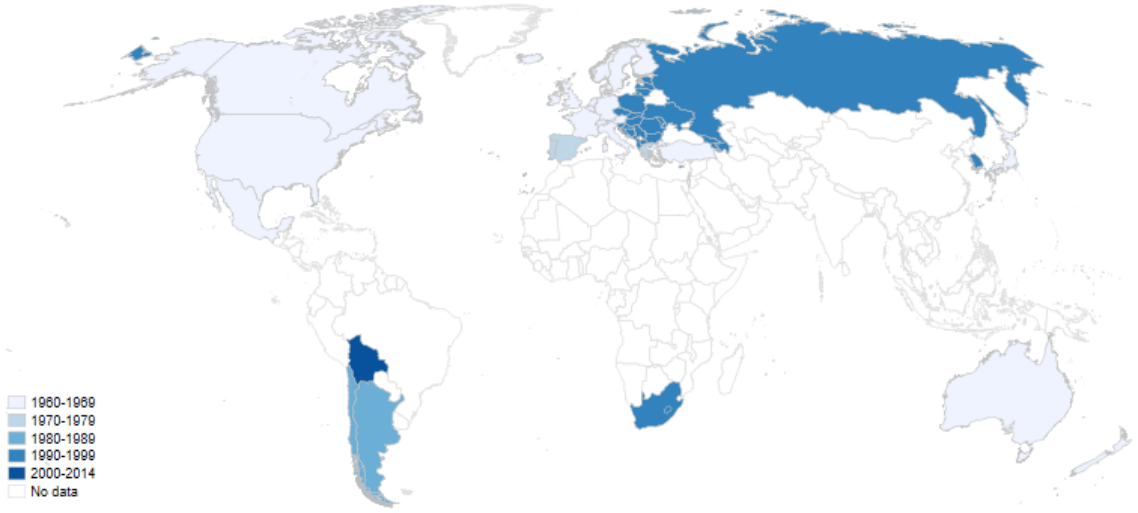
The remainder of this paper is organized as follows. Section 2 describes our data sources and provides some stylized facts. Our empirical strategy is explained and illustrated in Section 3. Section 4 presents our results. Section 5 concludes.

2 Data and Stylized Facts

We combine data on overall exposure to right-wing populism and dyadic migration flows, covering 55 countries and 628 elections over the period 1960-2018. The composition of our sample is determined by the availability of data in the *Manifesto Project Database* (MPD), which uses comparative content analysis of parties' manifestos to examine their policy preferences. Figure 1 shows a map illustrating the countries included in our study. Our sample includes a mix of economically developing and developed countries, although not all were available for analysis from the beginning of our research period.

Our classification of political parties is based on three characteristics available in the MPD for each election year τ. The *first* characteristic is their position along the left-right political spectrum constructed by Budge and Laver (2016). This classification is mostly determined by the parties' attitudes towards redistribution and policy preferences related to moral values (e.g. on law and order, traditional morality, importance of military forces, anti-imperialism, etc.). We consider parties to be right-wing if their left-right index is in the third tertile of the distribution. Thus, we create a dummy $R^p_{i,\tau}$ equal to the unity of the party p of country i belonging to the third tercile of the distribution in the election year τ, and zero otherwise.

Figure 1: Countries Available in MPD Data



Note: The figure plots the countries that have at least one electoral and the different colors show the year of the first election available in the sample. Source: Authors' elaboration on MPD.

The *second* characteristic is a zero-mean populism score constructed by Docquier et al. (2023) and based on the parties' policy platform data. This continuous score $s^p_{i,\tau}$ is a weighted combination of several variables capturing each party's *anti-establishment stance* and *commitment to protect the people* available in the MPD. Based on a two-stage principal component analysis, this score serves as a reliable predictor of a party's likelihood of being classified as populist in several alternative datasets (Grzymala-Busse and McFaul, 2020, Guiso et al., 2020, Rooduijn et al., 2019, Swank, 2018, Van Kessel, 2015). In addition, Docquier et al. (2023) shows that labeling parties with a populism score greater than one standard deviation (σ), calculated across all years and countries in the sample, as populist maximizes the partial correlation with existing classifications. We therefore define a dummy variable $S^p_{i,\tau} = 1$ if $s^p_{i,\tau} \geq \sigma$ and zero otherwise. It is worth noting that the populism score of right-wing parties is positively and significantly correlated with negative attitudes toward immigration and multiculturalism, cultural conservatism, and preferences for government intervention and economic planning. Finally, the *third* characteristic is the vote share of each party p in the election year τ, denoted by $V^p_{i,\tau}$.

We use data on annual migration flows for all years t, including non-election years. Thus, we relate each annual migration flow to the level of right-wing populism in the nearest election year before year t (denoted by $\tau(t)$) and assume that the level of right-wing populism is constant over the term of office: $\text{RWP}_{i,t} = \text{RWP}_{i,\tau(t)}\ \forall t \in [\tau(t), \tau(t)+1[$. Exposure to right-wing populism ($\text{RWP}_{i,t}$ for country i in year t) is measured with two proxies. First, as is standard in the existing literature, we compute the vote shares of parties classified as "right-wing populist" (which we refer to as the *volume margin* of right-wing populism). We have:

$$\text{RWP}^{\text{Votes}}_{i,t} = \sum_p R^p_{i,t} S^p_{i,t} V^p_{i,t}. \tag{1}$$

This concept suffers from two limitations: (i) it requires parties to be classified as populist or non-populist, and (ii) populist ideas are not limited to populist parties, but can spill over to traditional (or non-traditional) parties that are not defined as populist and may be more likely to form a governing coalition. To account for such contagion effects, we also compute the vote-weighted scores of right-wing populism for all right-wing parties running in an election (which we refer to as the *mean margin*). We have:

$$\text{RWP}_{i,t}^{\text{Index}} = \sum_{p} R_{i,t}^{p} s_{i,t}^{p} V_{i,t}^{p}. \tag{2}$$

These two proxies are the (right-hand side) variables of interest used in our regression analysis. The index of right-wing populism may more accurately reflect actual exposure to right-wing ideology.

Figure 2 shows the evolution of the sample average level associated with the mean margin of right-wing populism from 1960 to 2015. The black curve delineates the average computed over the entire unbalanced sample, which includes a growing number of countries over the specified period. The blue curve shows the trend discernible within the balanced sample, which consists of countries observed in all recorded years since 1960. The green curve shows the evolution of right-wing populism in the 15 members of the former European Union, including the United Kingdom. The three curves show strikingly congruent patterns. The extent of right-wing populism has fluctuated since the 1960s, with peaks coinciding with major economic crises – the oil crisis of the 1970s, the deep crises of the 1990s, and the years after 2005.

The peak observed in the mid-1970s is characterized by increased levels of right-wing populism, particularly in countries such as Italy, Norway, and Finland.[7] Subsequently, the average right-wing margin declined until the early 1990s – a period marked by the economic downturn that affected much of the Western world in the early 1990s, the Mexican crisis of 1994-95, and the financial crisis in East Asia a few years later – before a resurgence linked to the financial downturn of 2008-2009.

[7]In particular, Finland has the longest tradition of anti-establishment populism among the Nordic nations, exemplified by the Rural Party (Suomen Maaseudun Puolue), founded in 1959 and electorally successful in 1970. In Norway, the Progress Party (Fremskrittspartiet) was founded in 1973, initially as "Anders Lange's Party for Strong Reduction of Taxes, Fees and Public Interventions," and changed its name in 1977. It entered parliament in 1973 and has been a constant presence in Norwegian politics ever since. The Italian Social Movement (Movimento Sociale Italiano, MSI), initially neo-fascist, shifted to national conservatism in the 1990s. In 1972, it integrated the Italian Democratic Party of Monarchist Unity and increased its parliamentary seats from 30 to 56 in the 1973 elections.

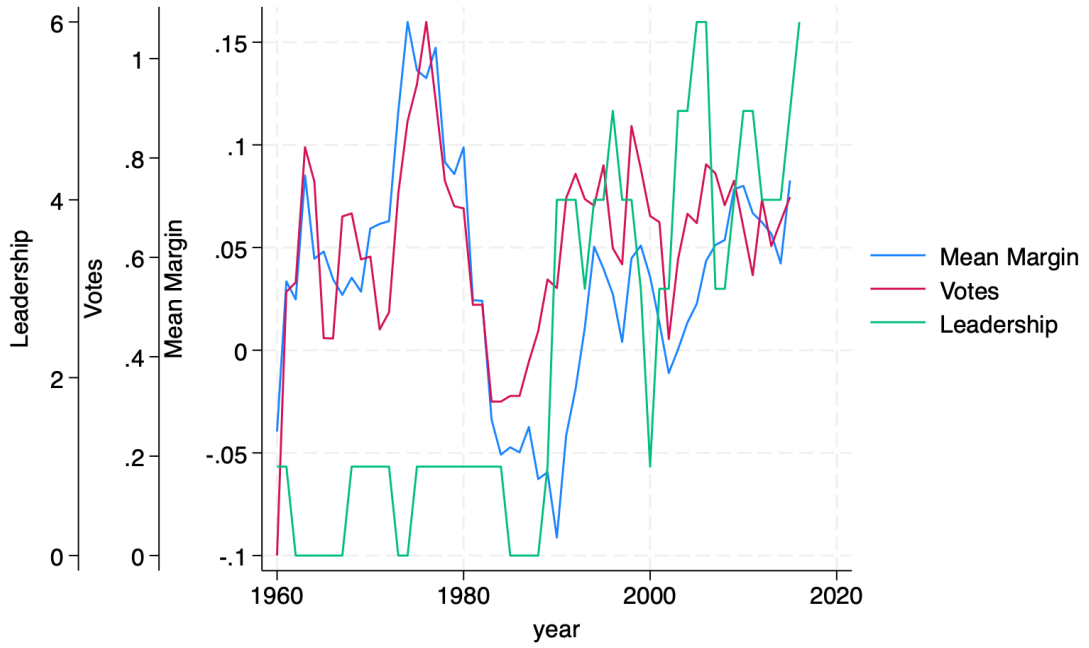
Figure 2: Mean Margin of Right-Wing Populism – Sample Average 1960-2015

Note: The figure plots the sample-wide average of the mean margin of populism from 1960 to 2015. The mean margin of populism is taken from Docquier et al. (2023). We calculate the average across three samples: the full and unbalanced sample in black, the balanced sample in blue (excluding Greece, Portugal, Spain, Latin American countries, and the former Soviet Union), and the sample that only includes for former 15 European Union member states (including the UK).

Alternative measures or right-wing populism can be used. Besides the vote share of populist parties, we can focus on right-wing populist leadership as calculated by Funke et al. (2023). They define a right-wing populist episode as a period in which a prime minister or president is characterized as right-wing populist. This binary classification is based on a comprehensive literature review of all leaders, focusing solely on their discourse rather than their policy implementation. The dataset aggregates numerous scholarly contributions – books, articles, working papers, and policy reports – that include the terms "populism" or "populist" in their titles or subtitles. Leaders are identified and all sentences and quotations mentioning them are compiled. A leader is labeled as populist if he or she relies heavily on anti-elite and people-centered rhetoric, with an emphasis on anti-establishment discourse throughout their campaign and tenure. Left-wing populists frame their anti-establishment views primarily in economic terms, while right-wing populists frame them primarily in cultural terms. Funke et al. (2023) also offers an extended list that includes "borderline populist leaders," those who may not fit the precise definition of populist according to their standard coding approach, but who exhibit populist rhetoric and style. We use these data for the period from 1960 to 2018, which is included in our sample.

Figure 3 illustrates the co-movements among the mean margin of right-wing populism (represented by the black curve), the average vote share received by parties classified as right-wing populist (indicated by the blue curve), and the number of right-wing populist leadership episodes within the full sample (represented by the green curve). The mean margin and vote share show closely aligned trends, although the mean margin shows greater variation. In their study, Docquier et al. (2023) disentangle the overarching trajectory in the evolution of the mean margin by distinguishing between traditional parties that have never been classified as populist and those that have received a populist classification at least once. They find that prior to the 1980s, fluctuations in the mean margin of populism are primarily associated with the vote shares and populism scores of populist parties. Conversely, since the 1990s, traditional parties – those that are never classified as populist – have also had an impact on the evolution of the mean margin by displaying a discernible level of populism and securing a significant share of the vote. For these reasons, limiting the analysis to the vote share of parties classified as populist may be a narrow perspective. Finally, the frequency of populist leadership episodes has fluctuated between 1 and 6, remaining low between 1960 and the late eighties, then escalating markedly, proving that right-wing populist leadership is at an all-time high (as shown in Funke et al., 2023).

Figure 3: Alternative Measures of Right-Wing Populism – Sample Average 1960-2015

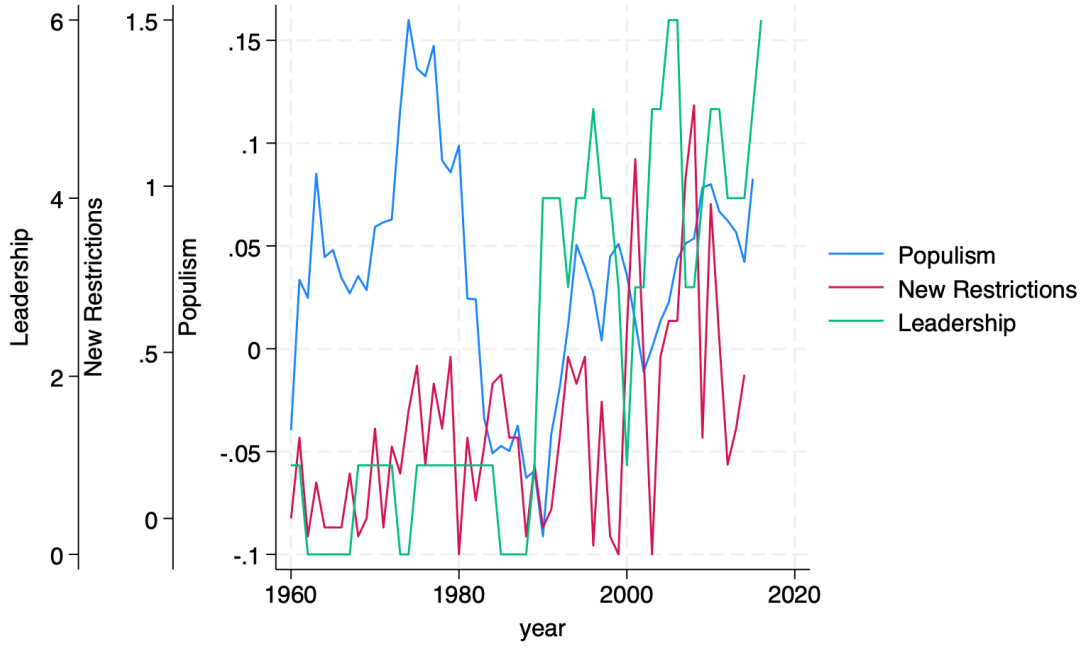


Note: The figure shows the total number of right-wing populist leaders (green), the average vote shares of right-wing populist parties (black), and the average mean margin of populism (blue) from 1960 to 2016 in the unbalanced sample. Data on the mean populism margin and vote shares are from Docquier et al. (2023), while episodes of right-wing populist leadership are from Funke et al. (2023).

Right-wing populism can translate into anti-immigration attitudes or restrictive immigration policies. Using the DEMIG data (DEMIG, 2015), we identify significant changes in immigration policies, denoted as +1 if the policy becomes more restrictive and -1 if it becomes less restrictive. These variables are disaggregated by skill level: for the low-skilled (or high-skilled, respectively), we aggregate significant changes related to all migrants or specifically to low-skilled (or high-skilled, respectively) migrants. For each year, we compute the change in policy restrictiveness, $\Delta \text{Pol}_{i,t}^{S}$ for $S = (\text{Low}, \text{High})$, as the sum of reported major changes.

Figure 4 shows how the mean margin of populism, the number of leadership changes, and the average net change in migration policy restrictiveness move together. It shows visually that changes in policy restrictiveness are positively correlated with the average margin of right-wing populism, especially during episodes of populist leadership (extended definition only). Table F.1 in the appendix precisely establishes such correlations and further shows that immigration restrictions are also negatively correlated with inflation crises. Note that in our empirical analysis we use the level of policy restrictiveness as the cumulative change since 1960. Equivalently, we normalize the level to zero in 1960 and compute it as $\text{Pol}_{i,t}^{S} \equiv \text{Pol}_{i,t-1}^{S} + \Delta \text{Pol}_{i,t}^{S}$ in subsequent years.

Figure 4: Right-Wing Populism and Variations in Migration Policy Restrictiveness



Note: The figure plots the total number of leaders (in green), the average number of new migration restrictions (in black), and the average mean margin of populism (in blue) from 1960 to 2016. Data on the average populism margin are from Docquier et al. (2023), episodes of right-wing populist leadership are from Funke et al. (2023), while data on policy restrictions are from DEMIG (2015).

We can calculate the correlation between the mean margin of populism and other

correlates and/or outcome variables. In particular, data on migration flows by country of destination for the period 1960-2018 are obtained from Abel (2018). Flow data by educational attainment are not directly observable, but can be imputed using information on the size and skill level of the stock of migrants from each origin in each destination country, available for a few rounds of censuses (e.g., 1990, 2000, and 2010) and obtained from Arslan et al. (2015) for 2000 and 2010 and Artuc et al. (2014) for 1990. In our benchmark regressions, we compute a dyadic skill selection index proxied by the ratio of college graduates in the migration stock to that in the origin population. We use this ratio in the most recent census round available to impute a skill level for the dyadic migration flows, taking into account the evolution of the share of college graduates in the origin country (taken from Barro and Lee, 2013). This method proved to be relevant as the dyadic level of skill selection is stable over time (see Burzynski et al., 2018). Alternative data sources on migration flows (DEMIG, 2015, Standaert and Rayp, 2022) and proxies for selective migration are used in our robustness checks.

Table 1 presents the results of OLS regressions of various variables on the mean margin of right-wing populism, controlling for country and year fixed effects. Despite the documented impact of immigration flows on the vote share of far-right nationalist parties, our results show a negative correlation – albeit insignificant at the 10% threshold – between $\text{RWP}_{i,t}^{\text{Index}}$ and the log of both high-skilled and low-skilled aggregate immigration flows. The correlation with high-skilled emigration flows is positive and highly significant. We also observe positive and highly significant correlations with the vote share of right-wing populist parties, the adoption of new restrictions on high- and low-skilled immigration policies, and the likelihood of observing an episode of populist leadership – only with the extended definition of such episodes.

Table 1: Association Between the Mean Margin of Right-Wing Populism and Other Variables in the Full Sample

	Correlation	Stand. dev.	p-value
Total immigration flow HS (logs)	-0.108	0.070	0.124
Total immigration flow LS (logs)	-0.080	0.072	0.262
Total emigration flow HS (logs)	1.379***	0.255	0.000
Total emigration flow LS (logs)	0.086	0.113	0.445
Votes share of RWP parties	3.194***	0.122	0.000
Policy restrictiveness HS	3.287***	0.656	0.000
Policy restrictiveness LS	3.220***	0.662	0.000
RWP leadership (Strict)	0.010	0.022	0.638
RWP leadership (Extended)	0.445***	0.034	0.000

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Correlations are computed using OLS regressions with country and year fixed effects. Each variable is regressed on $\text{RWP}_{i,t}^{\text{Index}}$. Standard errors are adjusted for clustering at the country level.

3 Empirical Strategy

Our goal is to empirically investigate the effect of right-wing populism in a given country $i = 1, ..., I$ on the inflow and outflow of migrants by education level. Thus, when dealing with the effect on inflows, our model features the number of migrants of type s (HS for university graduates and LS for the less educated) from all origin countries j to country i in year t as the dependent variable ($M_{ji,t}^{In,s}$); when dealing with the effect on outflows, the dependent variable is the number of migrants from origin country i to all destination countries j ($M_{ij,t}^{Out,s}$). We use two indicators of right-wing populism ($\text{RWP}_{i,t}$), the average index of right-wing populism ($\text{RWP}_{i,t}^{\text{Index}}$) or the vote share of right-wing populist parties ($\text{RWP}_{i,t}^{\text{Votes}}$).

3.1 Specification Issues

Let us highlight three features of our benchmark empirical model. First, when modeling migration flows, the high prevalence of zero values for the dependent variable causes some bias in OLS estimation. As in many other dyadic contexts, Santos Silva and Tenreyro (2006, 2010) recommend the use of Poisson pseudo maximum likelihood (hereafter PPML) to minimize the estimation bias of the parameters. The PPML estimates are found to perform quite well under different patterns of heteroskedasticity and under rounding errors in the dependent variable.

Second, dyadic migration flows are likely to be influenced by a variety of factors, many of which are unobserved or observed with errors. Therefore, we saturate our model with a full set of fixed effects. When dealing with migration inflows, we use origin-time ($\alpha_{j,t}$) and dyadic fixed effects (α_{ij}). When dealing with migration outflows, we use destination-time ($\alpha_{j,t}$) and dyadic fixed effects (α_{ij}). These fixed effects reduce omitted variable bias.

Third, many gravity models of international migration allow for inertia in migration decisions and possible network effects. This means that the dyadic flow of migrants at time t may be influenced by the dyadic stock of migrants in previous years. One way to deal with this problem is to include the lagged stock of migrants in the set of dyadic regressors. As the flows add to the existing stock, the specification becomes dynamic and the assumption of uncorrelated fixed effects would be violated. In particular, the dyadic fixed effect jointly predicts the stock and the flow of migrants. To address this issue, we opt for a static specification that includes dyadic fixed effects while abstracting from the network term. Unreported regressions show that the dyadic fixed effect adequately captures the network effect, primarily because dyadic emigration rates have exhibited relative stability over time.[8]

[8]It is worth noting that in unreported (exploratory) regression analyses, we find that the network effect has a minimal impact on estimating the effect of populism. In particular, when added to the dyadic fixed effects, the network effect has a negative impact.

Therefore, our baseline empirical model can be written as:

$$\text{Inflows: } M_{ji,t}^{In,s} = \exp\left[\alpha_{j,t}^{In,s} + \alpha_{ij}^{In,s} + \beta^{In,s}\text{RWP}_{i,t} + \varepsilon_{ij,t}^{In,s}\right] \quad (3)$$

$$\text{Outflows: } M_{ij,t}^{Out,s} = \exp\left[\alpha_{j,t}^{Out,s} + \alpha_{ij}^{Out,s} + \beta^{Out,s}\text{RWP}_{i,t} + \varepsilon_{ij,t}^{Out,s}\right] \quad (4)$$

where $\beta = \left(\beta^{In,s}, \beta^{Out,s}\right)$ is our set of parameters of interest, and $\varepsilon_{ij,t}$ is the error term.

3.2 IV Strategy

The correlations captured by Eqs. (3-4) are potentially affected by mismeasurement problems and reverse causality, as the size and skill structure of migration flows tend to influence votes for radical parties, as discussed at length in the introduction. Thus, the PPML estimates do a poor job in capturing the causal impact of right-wing populism on migration. Causation is always difficult to establish with aggregate data, but endogeneity concerns call for an instrumental approach.

We use an instrumental variable method, instrumenting variations in right-wing populism using a combination of collective memory and trigger variables. We build on several studies showing that important past events affect the present under certain circumstances (Cantoni et al., 2021, Ochsner and Roesel, 2017, Rozenas and Zhukov, 2019), implying an influence of collective memory and political legacies on current behavior (Simpser et al., 2018, Voigtländer and Voth, 2021). For example, Cantoni et al. (2021) find that cross-municipality variation in AfD vote shares in the 2017 German federal election is correlated with support for the Nazi party in 1933. Fouka and Voth (2022) find that regional variations in backlash against Germany after the Greek debt crisis of 2009 (and German pressure to implement harsh austerity measures) are associated with the number of victims of massacres committed by German troops during World War II. This suggests that institutionalized collective memory amplifies the effects of the contemporary political conflict between Greece and Germany.

Here, we hypothesize that episodes of economic insecurity generate dissatisfaction and distrust in democratic institutions and are more likely to translate into a surge of right-wing populism in countries that experienced far-right episodes between 1900 and 1950. We build on the fact that the success of far-right parties in the pre-World War II period varied drastically across countries, even when comparing countries that faced similar shocks such as the Great Depression. The rise of radical parties after World War I was influenced by relatively exogenous factors such as a history of democracy, low hurdles to parliamentary representation, economic losses and boundary changes, religious divisions, and the emergence of a charismatic radical leader (De Bromhead et al., 2013). These factors can reasonably be considered independent of current macroeconomic shocks and can be used as indicators of latent levels of intolerance or identity-based nationalism.

Our first-stage OLS regression can be written as:

$$\text{RWP}_{i,t} = \gamma_i + \gamma_t + \rho\text{REM}_i \times \mathbf{1}_{i,t} + \epsilon_{i,t} \quad (5)$$

where $\text{RWP}_{i,t}$ is our measure of right-wing populism (either $\text{RWP}_{i,t}^{\text{Index}}$ or $\text{RWP}_{i,t}^{\text{Votes}}$), REM_i is the average vote share of nationalist and extreme right-wing parties over the period 1900-1950 (our collective memory variable), $\mathbf{1}_{i,t}$ is a dummy equal to one in episodes of economic insecurity and zero otherwise (our trigger variable). The parameter of interest, ρ, captures the effect of the interaction between these two variables on the rise of right-wing populism. The pure effect of the persistence of populist institutions is captured by the country fixed effect (γ_i),[9] while the time fixed effect (γ_t) captures common trends in populism. Finally, $\epsilon_{i,t}$ is the error term.

3.3 First-Stage Regressions

The data for REM_i are obtained by identifying nationalist and far-right parties in the first half of the 20th century. We used comprehensive data on vote shares by party obtained from the Constituency-Level Elections Archive (CLEA), which serves as a repository for constituency-level election results, covering lower and upper chamber legislative elections around the world. Our analysis focuses on the period between 1900 and 1950, during which we identified parties in each country that espoused nationalist ideologies. To categorize parties as nationalist or far-right, we conducted thorough research using various sources, including academic and historical works as well as Wikipedia, to gather information on parties and party leaders. The list of nationalist parties can be found in Table A.1 in the Appendix. We then used CLEA data to calculate the average percentage of votes received by these parties in national elections throughout the period. In addition, we collected data on the number of parliamentary seats won. For countries not included in the CLEA database, we assigned an average vote share of zero to nationalist parties, cross-validated our hypothesis through Wikipedia searches, and ensured data consistency.

To identify episodes of economic insecurity ($\mathbf{1}_{i,t} = 1$), we collect a comprehensive set of data on inflation rates, GDP, and employment levels for all countries and years in our sample. These data come from different datasets. First, we use the BFFS dataset on *global crisis data by country*,[10] which provides information on different types of crises, including banking crises, exchange rate crises, stock market crises, sovereign debt growth, defaults, and other relevant data series for over 70 countries from 1800 to 2016. Second, we include employment and GDP data from the *Penn World Tables*.[11] To define a crisis, we consider any adverse shock that exceeds one standard deviation from the country-specific trend. This approach allows us to identify significant deviations from expected economic conditions, allowing us to effectively identify and investigate instances of economic insecurity.

Table 2 presents the results from the first stage regressions analyzing the populism

[9] The fixed effect γ_i absorbs the part of unobserved heterogeneity captured by the dyadic fixed effect of our second-stage regression.

[10] Available at: https://www.hbs.edu/behavioral-finance-and-financial-stability/data/.

[11] Available at: https://www.rug.nl/ggdc/productivity/pwt/.

index ($RWP_{i,t}^{Index}$), our preferred measure of right-wing populism. Regardless of the crisis indicator used, we consistently observe a positive and highly significant linear effect. More importantly, the response of right-wing populism to these crises is intensified in countries with latent levels of intolerance or identity-based nationalism, with the exception of periods marked by financial crises in Col. (5) (as discussed below). It is important to note that all regressions include time and country fixed effects to ensure that the potential direct impact of latent intolerance on the level of right-wing populism is adequately accounted for. Of particular note is the strength of the interaction between the collective memory variable and inflation crisis episodes. In countries with an average pre-war vote share for nationalist and far-right parties around 40% ($REM_i = 0.4$), the right-wing populist response to an inflation crisis is twice as large (0.035+0.034) as in countries with no nationalist history (0.035). Similar results are obtained when using GDP or employment crisis dummies.

Table 2: First-Stage Regressions for $RWP_{i,t}^{Index}$

	(1)	(2)	(3)	(4)
Inflation crisis	0.035***			
	(0.002)			
$REM_i \times$ Inflation crisis	0.085***			
	(0.012)			
GDP crisis		0.031***		
		(0.002)		
$REM_i \times$ GDP crisis		0.095***		
		(0.006)		
Employment crisis			0.063***	
			(0.001)	
$REM_i \times$ Employment crisis			0.093***	
			(0.008)	
Financial Crisis				0.011***
				(0.001)
$REM_i \times$ Financial Crisis				-0.369***
				(0.008)
Constant	-0.007	-0.007	0.016**	-0.012***
	(0.008)	(0.006)	(0.008)	(0.008)
Observations	275,640	274,650	275,640	255,908
Time and country FE	Yes	Yes	Yes	Yes
R-squared	0.371	0.350	0.345	0.380

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels, respectively. Standard errors adjusted for clustering at the country level.

Among the different specifications considered, with the exception of the one with the financial crisis dummy, the one that includes inflation crisis indicators yields the highest

R-squared value. We use the specification with inflation crisis dummy as the benchmark for our subsequent second-stage regression analyses.

Table 3 presents consistent results when analyzing fluctuations in the vote share of populist parties ($RWP_{i,t}^{Vote}$). The interaction between the collective memory variable and episodes of inflation, GDP and employment crises shows considerable significance and magnitude, while the interaction with the financial crisis dummy remains negative. In countries where nationalist and far-right parties had about 40% of the pre-war vote ($REM_i = 0.4$), the right-wing populist response to an inflation crisis is one third higher (0.402+0.138) than in countries with no nationalist history (0.402). Similar results hold when using GDP or employment crisis indicators.

Table 3: First-Stage Regressions for $RWP_{i,t}^{Votes}$

	(1)	(2)	(3)	(4)
Inflation Crises	0.402***			
	(0.012)			
$REM_i \times$ Inflation crisis	0.345***			
	(0.081)			
GDP crisis		0.106***		
		(0.009)		
$REM_i \times$ GDP crisis		0.173***		
		(0.029)		
Employment crisis			0.084***	
			(0.007)	
$REM_i \times$ Employment crisis			0.676***	
			(0.027)	
Financial Crisis				0.094***
				(0.008)
$REM_i \times$ Financial Crisis				-1.260***
				(0.037)
Constant	-0.007	-0.240***	-0.387***	-0.393***
	(0.008)	(0.029)	(0.039)	(0.037)
Observations	275,640	274,650	275,640	255,908
R-squared	0.373	0.288	0.288	321
Time and country FE	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels, respectively. Standard errors adjusted for clustering at the country level.

3.4 Discussion

Our first-stage regressions confirm that the prevalence of economic insecurity fuels discontent and distrust of democratic institutions. Right-wing populist leaders capitalize on such sentiments by stoking resentment among disorganized supporters, especially when

latent levels of intolerance and identity-based nationalism are high. This mechanism does not work in episodes of financial crisis. This contrasts with Doerr et al. (2022), who links a banking crisis in 1931 to the electoral rise of the Nazi Party in Germany, or Gyongyosi and Verner (2022), who links regional disparities in borrower fragility in Hungary after 2008 to the rise of the right-wing Jobbik party. These two studies do not explicitly address the reasons why right-wing populist parties tend to benefit disproportionately from financial crises.

In Table B.1 in the Appendix, we estimate our first-stage Eq. (5) using the average populism score of all populist parties, including left-wing and centrist parties. We show that financial crises lead to a populist response in countries with latent levels of nationalism. This suggests that the parties that benefit from financial crises are not those with the lowest attitudes toward redistribution and the strongest policy preferences for law and order or moral values, which are at the top of the left-right political spectrum by Budge and Laver (2016) and classified as right-wing in our context. The largest populist responses to financial crises tend to come from parties positioned as centrist (occupying the middle tercile of the left-right spectrum) or left-wing (belonging to the bottom tercile).

To gain deeper insights into the underlying mechanisms of our instrumental approach, we analyze party-level data and decompose the variation in our measure of right-wing populism into different dimensions. We then conduct a regression analysis for each dimension, taking into account the interaction between the inflation crisis dummy and our collective memory variable.

First, we examine the probability of a party being classified as right-wing populist, which represents the extensive margin of populism, $\Pr\left(R^p_{i,t}S^p_{i,t}=1\right)\ \forall p$. Next, we focus on the populism score of parties classified as right-wing populist ($s^p_{i,t}$). This score reflects the intra-party response and provides insight into the intensive margin of populism at the party level. These two components illustrate the (endogenous) variation in the supply of populism. Finally, we analyze the (endogenous) variation in the vote share of parties identified as right-wing populist ($V^p_{i,t}$). This reflects the demand for populism and its contribution to the intensive margin of populism.

The results are presented in Table 4. Cols. (1-3) present the optimal specification with time and country fixed effects. Our results indicate that episodes of economic uncertainty lead to an increased likelihood of right-wing populist parties participating in elections, as well as to higher populism scores for these parties. This pattern of increased supply of populism is observed across countries.

Moreover, when country fixed effects are excluded in Cols. (4-6), we observe a notable distinction between countries characterized by latent intolerance/nationalism and others. Specifically, the probability of right-wing populist parties participating in elections is higher in countries with latent intolerance/nationalism. This finding is consistent with previous studies, such as Halla et al. (2017) and Cantoni et al. (2021), which highlight the strong cultural persistence of right-wing political ideology.

Returning to the fixed-effect specification, another notable difference emerges. The demand for populism is more responsive to inflation crises in countries characterized by latent intolerance and nationalism. Again, this finding is consistent with Cantoni et al. (2021), which illustrates the interaction between changes in the supply of populism, specifically the right-wing populist surge of the AfD in the 2017 federal election, and latent demand in the German context. In our cross-country setting, we also observe a similar mechanism at play. Shifts in the supply of populism, driven by economic insecurity, interact with a latent demand for far-right ideology. Importantly, this mechanism remains robust to the exclusion of country fixed effects and serves as the primary source of variation employed in our first-stage regressions.

Table 4: Party-Level Responses to Inflation Crises

	With country FEs			Without country FEs		
	(1)	(2)	(3)	(4)	(5)	(6)
	$\Pr\left(R^p_{i,t}S^p_{i,t}=1\right)$	$s^p_{i,t}$	$V^p_{i,t}$	$\Pr\left(R^p_{i,t}S^p_{i,t}=1\right)$	$s^p_{i,t}$	$V^p_{i,t}$
REM_i	–	–	–	0.071**	0.085	0.010
				(0.032)	(0.053)	(0.006)
Infl. crisis	0.089**	0.145*	0.005	0.076***	0.107**	0.008**
	(0.040)	(0.071)	(0.006)	(0.023)	(0.043)	(0.004)
$\text{REM}_i\times$ Infl. crisis	0.199	0.265	0.072**	0.227	0.401	0.078*
	(0.234)	(0.381)	(0.034)	(0.182)	(0.348)	(0.042)
Constant	0.050***	0.086***	0.007***	0.041***	0.077***	0.006***
	(0.003)	(0.006)	(0.000)	(0.006)	(0.011)	(0.001)
Observations	2,618	2,618	2,618	2,618	2,618	2,618
Time FEs	Yes	Yes	Yes	Yes	Yes	Yes
Country FEs	Yes	Yes	Yes	No	No	No
R-squared	0.108	0.093	0.063	0.017	0.010	0.014

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the country level.

Finally, our identification strategy is similar to a Bartik or shift-share approach, combining a collective memory variable (the "share" component) with crisis dummies that may affect the demand for populism (the "shift" component). A major concern is that the share component (i.e., the average vote share for right-wing parties between 1900 and 1950) may affect the level of our dependent variable before the crisis or through channels other than those of the shift component. To address this concern and validate our research design, we follow Goldsmith-Pinkham et al. (2020) and show in the Appendix that the collective memory component, when considered independently, does not serve as a predictor of changes in immigration and emigration outside of crisis years (see Table C.1). These results support the parallel pre-trend hypothesis underlying our identification assumption.

4 Results

Implementing a standard IV approach can introduce an additional bias due to the random parameter problem. This arises due to the nonlinear nature of the PPML model and the presence of a large number of fixed effects (Lancaster, 2000). To correct for endogeneity, we adopt the control functions approach as suggested by Wooldridge (2012). This technique, also known as two-stage residual inclusion, involves including the residuals from the first-stage regression (see Table 3) as additional regressors in the second-stage PPML model. In the following sections, we present the results obtained using the control functions approach and interpret them as the causal effect of right-wing populism on migration flows. The results of the standard PPML regressions are provided in the Appendix D.

4.1 Effects on Immigration

The results for immigration are shown in Table 5. The top panel shows the effect of the mean margin of right-wing populism on skill-specific immigration flows (HS for college graduates and LS for less educated), while the bottom panel focuses on the vote share of right-wing populist parties. Our specification uses both dyadic and origin-time fixed effects. We estimate the effects using alternative definitions of the crisis dummy in the first stage regression. While the benchmark model in Cols. (1-2) considers inflation crises, we use GDP crises in Cols. (3-4), and employment crises in Cols. (5-6). Notably, the results are consistently statistically significant across these different definitions.

The results in the top panel indicate that a one standard deviation increase in the mean margin of right-wing populism leads to a 30 to 34 percent decrease in high-skilled immigration flows. Similarly, this shock induces a decrease in low-skilled immigration flows between 11 and 17 percent. The results in the bottom panel are slightly smaller than those in the PPML regressions (see Appendix D), suggesting that concerns about reverse causation are moderated in our context, especially since we assume that the level of right-wing populism remains constant between two election years. A 10 percentage point increase in the vote share of right-wing populist parties is associated with a decrease in high-skilled immigration ranging from 27 to 37 percent, while a decrease in low-skilled immigration ranges from 16 to 28 percent. Our robustness checks show that the results remain consistent and are not sensitive to the specific definition of macroeconomic uncertainty episodes, as in the standard PPML context. In addition, the unreported regressions show similar results when the pre-war vote share of nationalist and far-right parties is replaced by their number of seats in parliament.

Overall, the inflow of college-educated migrants is twice as sensitive to the mean margin of right-wing populism as the inflow of low-skilled migrants, suggesting that right-wing populism affects the way immigrants self-select and sort across destinations. The location decisions of high-skilled workers are likely to be influenced by the political climate in the host country. They may be reluctant to move to countries where populist parties

have strong nationalist and anti-immigration views. Further evidence in this direction will be presented below, when we control for immigration policy and populist leadership. Conversely, low-skilled workers and migrants from countries with large diasporas have fewer options and are less likely to change their location decisions. Using the vote shares of right-wing populist parties, we consistently find that the effect on high-skilled immigration is larger than the effect on low-skilled immigration.

Table 5: IV Regressions with Various Crisis Definitions
Dependent = Annual Skill-Specific Immigration Flows

	Inflation crisis		GDP crisis		Empl. crisis	
	(1)	(2)	(3)	(4)	(5)	(6)
	HS	LS	HS	LS	HS	LS
RWP Index	-0.301***	-0.110***	-0.334***	-0.172***	-0.339***	-0.137**
	(0.025)	(0.027)	(0.024)	(0.027)	(0.024)	(0.025)
Crisis	-0.690***	-0.929***	0.852	0.721	0.512***	0.421***
	(0.058)	(0.067)	(1.120)	(1.335)	(0.079)	(0.090)
Constant	10.539***	11.437***	9.369***	9.546***	10.585***	9.753***
	(0.099)	(0.437)	(0.228)	(0.017)	(0.007)	(0.025)
Observations	256,675	241,602	255,377	247,185	255,377	247,185
Origin Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes
RWP Votes (%)	-0.027***	-0.016***	-0.035***	-0.027***	-0.037***	-0.028***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)	(0.004)
Crises	-0.857***	-1.108***	0.082*	0.078*	-0.230***	0.357***
	(0.079)	(0.086)	(0.044)	(0.042)	(0.116)	(0.021)
Constant	11.706***	11.438***	10.752***	9.673***	9.112***	9.898***
	(0.444)	(0.437)	(0.006)	(0.087)	(0.081)	(0.056)
Observations	256,675	241,602	255,377	247,185	255,377	247,185
Origin Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level. Our benchmark results are reproduced in Cols. (1-2). Cols. (3-4) use GDP crisis episodes in the construction of the instrument. Cols. (5-6) use employment crisis episodes.

4.2 Effects on Emigration

The results for emigration are presented in Table 6. As in the previous section, the top panel shows the effect of the mean margin of right-wing populism, while the bottom panel focuses on the effect of the vote share of right-wing populist parties. We estimate the effects using different definitions of the crisis dummy, considering inflation crises in Cols. (1-2), GDP crises in Cols. (3-4), and employment crises in Cols. (5-6).

Here again, the control function approach provides evidence of a causal relationship between right-wing populism and the skill structure of emigration. Specifically, a one standard deviation increase in the mean margin of right-wing populism is associated with a significant increase in high-skilled emigration flows, ranging from 11 to 15 percent. In relative terms, these effects are twice as small as those found for high-skilled immigration. Moreover, there is no discernible effect on low-skilled emigration.

These results, obtained using the mean margin measurement, which better captures the overall exposure of voters to right-wing populism after an election, provide substantial support for the anecdotal evidence reported in the media regarding the brain drain phenomenon in response to right-wing populism. The spread of right-wing populist ideology and identity-based nationalism into public discourse actively leads a greater number of disaffected, highly educated individuals who might otherwise have challenged populist ideologies to opt for emigration. This, in turn, contributes to the formation of echo chambers. This finding helps shed light on the persistence and snowballing dynamics of right-wing populism, despite its well-documented negative effects on the economy.

In the bottom panel, we focus on the causal effect of the vote share of right-wing populist parties. We find that a 10 percentage point increase in the vote share of right-wing populist parties is associated with a small but significant increase in high-skilled emigration, ranging from 1 to 2 percent (more precisely, from 1.3 to 1.7 percent). In relative terms, these effects are ten times smaller than those found for high-skilled immigration. Consistent with the results for the average margin, we find no statistically significant effect on low-skilled emigration. The fact that the effects are smaller when focusing on the vote share of populist parties suggests that the effect of right-wing populism on high-skilled emigration is not necessarily related to the success of parties classified as right-wing populist. It may be determined by a general rise in anti-immigration sentiment or a spread of populist rhetoric across all parties. This comforts us in prioritizing the interpretation based on the mean margin of right-wing populism. Our results are statistically significant across the different crisis definitions used.

4.3 Robustness: Alternative Dependent Variables

A major challenge arises from the unavailability of directly observable skill-specific migration flows, which serve as our dependent variables. To estimate these flows, we use

Table 6: IV Regressions with Various Crisis Definitions
Dependent = Annual Skill-Specific Emigration Flows

	Inflation crisis		GDP crisis		Empl. crisis	
	(1)	(2)	(3)	(4)	(5)	(6)
	HS	LS	HS	LS	HS	LS
RWP Index	0.148***	0.025	0.117***	0.014	0.109**	-0.004
	(0.046)	(0.043)	(0.044)	(0.040)	(0.044)	(0.041)
Crisis	0.144***	0.135***	-0.136***	-0.179***	1.475	2.298
	(0.021)	(0.106)	(0.037)	(0.036)	(8.212)	(1.674)
Constant	15.839***	11.978***	9.112***	10.666***	8.057***	9.251***
	(3.481)	(1.544)	(0.011)	(0.014)	(0.295)	(0.334)
Observations	214,632	217,157	213,902	216,418	220,331	220,331
RWP Votes (%)	0.002***	-0.000	0.001***	-0.001	0.001***	-0.000
	(0.001)	(0.004)	(0.001)	(0.004)	(0.001)	(0.003)
Crisis	0.083	0.725***	-0.070*	-0.150***	1.490***	-4.470***
	(0.143)	(0.362)	(0.041)	(0.038)	(0.545)	(1.354)
Constant	9.064***	10.601***	9.106***	9.988***	7.760***	8.862***
	(0.004)	(0.010)	(0.025)	(0.220)	(0.421)	(0.367)
Observations	214,632	217,157	213,902	216,418	220,331	220,331
Origin Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Our benchmark results are reproduced in Cols. (1-2). Cols. (3-4) use GDP crisis episodes in the construction of the instrument. Cols. (5-6) use employment crisis episodes.

a methodology that combines annual migration flow data from Abel (2018) with information on the skill level of the migrant population from each country of origin. Abel (2018) estimate dyadic migration flows by combining data on migration stocks by decade with annual data on births and deaths in all destination countries. Data on skill levels are taken from the nearest census conducted in the destination country, and are obtained from Arslan et al. (2015) and Artuc et al. (2014). As robustness checks, we examine alternative measures of migration flows and other proxies for positively selected migration.

First, we use the same breakdown by educational attainment as in the benchmark model. However, we extend our analysis by including alternative datasets on annual migration flows. Our data sources include the DEMIG C2C database, which provides comprehensive data on bilateral migration flows from 1946 to 2011, covering 236 countries of origin and 34 countries of destination. The DEMIG C2C database was compiled by collecting and digitizing historical national statistics as well as current electronic sources (DEMIG, 2015). In addition, we incorporate the dataset developed by Standaert and Rayp (2022), which uses a Bayesian state-space model to integrate information from multiple datasets on stocks and flows. This approach allows for the production of unified

and consistent estimates of dyadic stocks and flows. It provides a global, annual, dyadic database of migration flows and stocks, with nearly 2.9 million observations in over 56,000 country pairs, covering the period from 1960 to 2020.

Table 7 compares the results obtained with alternative data on annual immigration flows. Using the Standaert-Rayp database, a one standard deviation increase in the mean margin of right-wing populism reduces high-skilled immigration flows by about 13.3 percent, while having an insignificant effect on low-skilled immigration. Similarly, a 10 percentage point increase in the vote share of right-wing populist parties leads to a 15 percent decrease in high-skilled immigration, while leaving low-skilled immigration unaffected.

Table 7: IV Regressions with Alternative Migration Data Sources
Dependent = Annual Skill-Specific Immigration Flows

	(1)	(2)	(3)	(4)	(5)	(6)
	Benchmark		Standaert-Rayp		Demig database	
	HS	LS	HS	LS	HS	LS
RWP Index	-0.301***	-0.115***	-0.133***	0.018	-0.146***	0.036
	(0.025)	(0.025)	(0.025)	(0.025)	(0.042)	(0.034)
Inflation crisis	-0.690***	-0.919***	-0.382***	-0.915***	-0.161*	-0.725***
	(0.058)	(0.067)	(0.044)	(0.093)	(0.097)	(0.198)
Constant	10.539***	11.437***	10.534***	9.617***	9.129***	9.212**
	(0.099)	(0.437)	(0.003)	(0.002)	(0.005)	(0.005)
Observations	256,675	241,602	220,174	218,864	208,129	208,129
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes
RWP Votes (%)	-0.026***	-0.015***	-0.015***	-0.001	-0.010***	-0.001
	(0.004)	(0.004)	(0.000)	(0.001)	(0.000)	(0.001)
Inflation crisis	-0.977***	-1.216***	-0.225***	-1.200***	-0.151***	-0.557***
	(0.111)	(0.117)	(0.430)	(0.131)	(0.086)	(0.101)
Constant	11.706***	11.438***	10.551***	9.595***	9.176***	8.048***
	(0.444)	(0.437)	(0.010)	(0.009)	(0.002)	(0.003)
Observations	256,675	241,602	220,174	218,864	208,129	208,129
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level. We use the benchmark specification with inflation crisis dummies.

Similar results are obtained using the DEMIG data. In this case, a one standard deviation increase in the mean margin of right-wing populism leads to a decrease in high-skilled immigration flows of about 15 percent, and a 10 percentage point increase

in the vote share of right-wing populist parties leads to a 10 percent decrease in high-skilled immigration. In both scenarios, the impact on low-skilled immigration remains statistically insignificant. Thus, even when using newer and less conventional data sources, our conclusion remains robust: right-wing populism discourages high-skilled immigration, although the magnitude of the effect is somewhat reduced.

In Table 8 we repeat the same analysis for annual emigration flows. Using the Standaert-Rayp database, a one standard deviation increase in the mean margin of right-wing populism increases high-skilled emigration flows by about 37 percent, while it has no significant impact on low-skilled emigration. Conversely, using the DEMIG data, the same shock leads to a 66 percent increase in high-skilled emigration and a 29 percent increase in low-skilled emigration. Although the results are qualitatively similar, the magnitude of the effect is highly sensitive to the measure of emigration, a result that can be interpreted by the fact that it is difficult to distinguish between emigration of natives and return migration of foreigners in the DEMIG data and multiple data sources used in the Standaert-Rayp database.

Shifting our focus to the vote shares of right-wing populist parties, we find that a 10 percentage point increase in these vote shares leads to a 5 percent increase in high-skilled emigration using both the Standaert-Rayp and DEMIG data, with no significant effect on low-skilled emigration. Consequently, the brain drain responses to the success of right-wing populism are quantitatively amplified when alternative sources of data on migration flows are used, but remain smaller than those obtained for immigration.

Second, instead of estimating the annual shares of college graduates in each migration corridor, we take a different approach. We classify migration dyads into different groups based on the share of college graduates in the most recent census data. Specifically, we define four dummies, denoted $\text{Hum}_{X\%}$, which are set to 1 if the share of college graduates in the bilateral migration corridor exceeds X percent, using the 2000 census round as the reference. We consider four education thresholds ($X = 15$, 20, or 25 percent). Using the benchmark model with inflation crises and focusing only on the mean margin of populism, we run regressions regressing total annual migration flows on the RWP index and its interaction with the human capital dummies. If significant, this interaction highlights the influence of right-wing populism on the self-selection of individuals to migrate.

The results obtained for total immigration and emigration flows are presented in Table 9. The immigration results are discussed in Cols. (1) to (3) on the left side, while the emigration results are presented in Cols. (4) to (6) on the right side. In Cols. (1-3), we observe that a one standard deviation increase in right-wing populism leads to a decrease in total immigration inflow of between 13 and 17 percent across countries. However, the effect is more pronounced (i.e. 27 to 35 percent higher) in migration corridors where the share of university graduates exceeds 15, 20 or 25 percent.[12]

[12]In unreported regressions, we also considered a threshold X of 30 percent. We obtain a positive estimate for the interaction term, implying that corridors with a share of college graduates above 30

Table 8: IV Regressions with Alternative Migration Data Sources
Dependent = Annual Skill-Specific Emigration Flows

	(1)	(2)	(3)	(4)	(5)	(6)
	Benchmark		Standaert-Rayp		Demig database	
	HS	LS	HS	LS	HS	LS
RWP Index	0.145***	0.030	0.372***	0.031	0.658***	0.291***
	(0.046)	(0.044)	(0.107)	(0.086)	(0.115)	(0.144)
Inflation crisis	-0.043	0.022	-0.231***	0.261***	-0.113	-0.007
	(0.076)	(0.065)	(0.123)	(0.093)	(0.104)	(0.091)
Constant	9.065***	10.611***	7.880***	18.212***	8.687***	10.312***
	(0.006)	(0.010)	(1.103)	(0.002)	(0.006)	(0.012)
Observations	214,632	217,157	208,267	222,700	215,472	218,404
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes
RWP Votes (%)	0.002***	-0.000	0.005***	0.003	0.005***	0.001
	(0.000)	(0.003)	(0.000)	(0.00234)	(0.000)	(0.341)
Inflation crisis	-0.038	0.725***	-0.232***	0.232	-0.234***	0.223
	(0.076)	(0.362)	(0.110)	(0.131)	(0.110)	(0.123)
Constant	9.057***	10.601***	6.543***	9.595***	10.243***	9.434***
	(0.006)	(0.010)	(0.001)	(0.009)	(0.011)	(0.009)
Observations	214,632	217,157	208,267	222,700	215,472	218,404
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level. We use the benchmark specification with inflation crisis dummies.

Shifting our attention to emigration in the right panel, Cols. (5-7) show that right-wing populism increases total emigration flows only in migration corridors with high levels of human capital. Specifically, a one standard deviation increase in right-wing populism leads to a 20 to 88 percent increase in emigration in corridors where the share of college graduates exceeds 15 and 25 percent, respectively. The effect is insignificant in less selective corridors.

percent show a smaller effect of right-wing populism compared to the average. This is likely driven by a small number of corridors characterized by low migration costs and a long migration history.

Table 9: IV Regressions with Skill-Content Corridor Dummies
Dependent = Annual Total Migration Flows

	(1) Immig	(2) Immig.	(3) Immig.	(4) Emig.	(5) Emig.	(6) Emig.
RWP Index	-0.128***	-0.141***	-0.174***	-0.165	-0.151	-0.066
	(0.027)	(0.027)	(0.027)	(0.096)	(0.100)	(0.044)
Inflation Crises	-0.793***	-0.792***	-0.794***	0.322**	0.320**	0.375***
	(0.060)	(0.060)	(0.060)	(0.154)	(0.163)	(0.156)
RWP Index × $\text{Hum}_{15\%}$	-0.345***			0.202***		
	(0.047)			(0.086)		
RWP Index × $\text{Hum}_{20\%}$		-0.318***			0.198***	
		(0.050)			(0.090)	
RWP Index × $\text{Hum}_{25\%}$			-0.270***			0.879***
			(0.045)			(0.205)
Constant	10.755***	10.757***	10.760***	10.740***	10.720***	10.704***
	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)	(0.009)
Observations	241,943	241,943	241,943	210,005	210,005	210,005
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level. We use the benchmark specification with inflation crisis dummies. The dummy variable $\text{Hum}_{X\%}$ is equql to 1 if the share of college graduates in the bilateral migration corridor exceeds X percent.

4.4 Mechanisms: attitudes, leadership and policies

To better pinpoint the drivers of our effects, we examine whether the influence of the mean margin of populism diminishes when controlling for the presence of a right-wing populist leader (Funke et al., 2023) or the adoption of stricter immigration policies for low-skilled or high-skilled migrants (DEMIG, 2015).

We first test whether our results hold when controlling for episodes of right-wing populist leadership, as defined in Section 2. Focusing on immigration flows, we include right-wing populist leadership in our specification in Table 10. Using the strict definition in Cols. (1-2), the dummy for populist leadership appears insignificant, and the coefficient on the mean margin of populism remains largely unaffected. Over the period of analysis, the strict definition mostly includes episodes of right-wing populism in Latin American countries over the decades and in Eastern European countries in the recent past. These countries are not traditional immigrant destinations.

We use the extended list of populist leaders of Funke et al. (2023) in Cols. (3-4), which includes relevant immigration countries like the U.S. (under the Reagan and Trump mandates), the UK (under the Thatcher and Jonhson mandates), Erdogan's Turkey, Berlusconi's Italy, etc. We find that episodes of populist leadership tend to reduce immigration

flows for both high-skilled and low-skilled individuals, with a more pronounced effect for the high-skilled. Bacher (2023) also finds a negative effect of right-wing populist leadership on immigration flows, but unlike us, finds a stronger effect for low-skilled migrants. It is important to note, however, that we consider the election of a populist government to be exogenous, which means that the coefficient on the leadership variable should not be interpreted causally. However, in this specification, the effect of the mean margin of populism is amplified and remains twice as large for high-skilled migrants. This suggests that it is important to control for the mean level of right-wing populism and the general anti-immigration stance of traditional parties.

Table 10: IV Regressions with Additional Proxies for RWP
Dependent = Annual Skill-Specific Immigration Flows

	(1)	(2)	(3)	(4)	(5)	(6)
	RWP leader (strict)		RWP leader (extended)		Restrictiveness	
	HS	LS	HS	LS	HS	LS
RWP index	-0.300***	-0.110***	-0.431***	-0.216***	-0.309***	-0.102***
	(0.025)	(0.025)	(0.029)	(0.031)	(0.026)	(0.026)
Crisis	-0.689***	-0.921***	-0.732***	-0.945***	-0.663***	-0.912***
	(0.058)	(0.067)	(0.060)	(0.069)	(0.060)	(0.070)
RWP leader (strict)	0.023	0.028				
	(0.019)	(0.020)				
RWP leader (extended)			-0.307***	-0.206***		
			(0.024)	(0.025)		
Restrictiveness (HS)					-0.001	
					(0.001)	
Restrictiveness (LS)						-0.005***
						(0.002)
Constant	10.609***	9.694***	10.903***	9.894***	10.822***	11.559***
	(0.009)	(0.016)	(0.025)	(0.028)	(0.335)	(0.705)
Observations	256,675	248,294	256,675	248,294	248,064	239,847
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level.Standard errors adjusted for clustering at the origin and destination level.

We follow a similar approach for emigration flows in Table 11. Again, the effect of populist leadership is significant only when the extended definition is used, as shown in Cols. (3-4). Right-wing populist leadership appears to reduce the propensity to emigrate among the low-skilled, with no discernible effect on emigration among the high-skilled. This confirms that low-skilled voters may be more supportive of right-wing populist ideology and anti-immigration political views. Nonetheless, the mean margin of populism continues to induce a brain drain of highly educated natives, consistent with the findings

from our benchmark tables, regardless of the type of leadership.

In Cols. (5-6) of both tables, we exclude the populist leadership variable from our specification and introduce immigration policy variables defined in Section 2 that capture net increases in restrictiveness. In Table 10, we find that variations in policy restrictiveness have no significant effect on high-skilled immigration, but have a modest effect on low-skilled immigration. Notably, the coefficient on the mean margin of populism remains largely unchanged in this revised specification. Similarly, in Table 11, increased immigration restrictions at the point of origin have minimal effects on both low-skilled and high-skilled emigration, preserving the brain drain responses to the mean margin of right-wing populism. We treat changes in immigration policy as exogenous and include them as a mitigating factor.

While acknowledging potential limitations in the precision of our migration policy variables, our results suggest that migration responses to right-wing populism are not primarily driven by episodes of right-wing populist leadership or changes in immigration policy. Instead, they appear to be primarily influenced by the political climate, anti-establishment discourses, and identitarian views.

Table 11: IV Regressions with Additional Proxies for RWP
Dependent = Annual Skill-Specific Emigration Flows

	RWP leader (strict)		RWP leader (extended)		Restrictiveness	
	HS	LS	HS	LS	HS	LS
RWP Index	0.148***	-0.245	0.123**	-0.302***	0.100**	-0.020
	(0.046)	(0.191)	(0.056)	(0.159)	(0.048)	(0.048)
Crisis	0.045	0.623***	0.047	0.632***	0.202	0.447**
	(0.144)	(0.321)	(0.144)	(0.308)	(0.177)	(0.174)
RWP Leader RW (strict)	0.012	-0.003				
	(0.030)	(0.032)				
RWP Leader (extended)			-0.032	-0.120		
			(0.040)	(0.093)		
Restrictiveness (HS)					0.003**	
					(0.001)	
Restrictiveness (LS)						-0.002
						(0.002)
Constant	9.054***	10.716***	9.087***	10.834***	7.997***	11.912***
	(0.006)	(0.013)	(0.038)	(0.040)	(0.369)	(0.574)
Observations	231,627	234,348	231,627	234,348	223,641	226,235
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level.Standard errors adjusted for clustering at the origin and destination level.

4.5 Heterogeneity Across Sub-Samples

In this final empirical section, we examine whether our results are affected by two different groups of countries that have experienced a rise in right-wing populism in recent years. First, we exclude countries in Latin America that have experienced a resurgence of right-wing political movements since the economic crisis of 2008-09. While Brazil stands out in this trend, there are signs of a resurgence of right-wing populist sentiment in a range of countries, including Bolivia, Chile, Colombia, Costa Rica, Peru, and Uruguay. We then exclude Eastern European countries from our analysis, where the inflow of over a million Syrian refugees into Europe has catalyzed a surge in radical right movements and anti-Islam sentiment.

Table 12 presents the results of IV regression analysis focusing on immigration and emigration flows. The results confirm that shifts in the average level of right-wing populism or electoral support for such parties disproportionately reduce high-skilled immigration compared to low-skilled immigration. Moreover, they show that high-skilled natives are more likely to leave their home countries in response to these political dynamics, while low-skilled emigration remains relatively unaffected. Importantly, the magnitude of these effects is consistent with those observed in the full dataset. This reassures us that our main findings are not driven by a set of countries that cannot be considered to be traditional destinations for immigrants.

Table 12: IV Regressions After Excluding Countries
Dependent = Annual Skill-Specific Migration Flows

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Immigration flows				Emigration flows			
	No Latin		No Eastern EU		No Latin		No Eastern EU	
	HS	LS	HS	LS	HS	LS	HS	LS
RWP Index	-0.276***	-0.126***	-0.297***	-0.112***	0.145***	-0.241	0.103***	-0.050
	(0.026)	(0.042)	(0.025)	(0.025)	(0.042)	(0.191)	(0.047)	(0.044)
Inflation Crises	-0.559***	-0.677***	-0.490***	0.047	0.666***	0.478***	0.123	
	(0.052)	(0.082)	(0.081)	(0.047)	(0.157)	(0.322)	(0.187)	(0.148)
Constant	10.570***	9.595***	10.554***	9.576***	9.751***	9.534***	8.494***	10.732***
	(0.002)	(0.004)	(0.003)	(0.004)	(0.035)	(0.034)	(0.035)	(0.032)
Observations	237,170	230,834	256,675	248,294	231,627	215,745	231,627	234,348
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
RWP Votes	-0.024***	-0.016***	-0.023***	-0.016***	0.002***	0.005***	0.002***	0.004***
	(0.004)	(0.004)	(0.004)	(0.004)	(0.000)	(0.000)	(0.001)	(0.000)
Inflation Crises	-0.586***	-0.681***	-0.513***	-0.633***	0.364***	0.002	0.648***	
	(0.0543)	(0.056)	(0.048)	(0.052)	(0.122)	(0.117)	(0.002)	(0.321)
Constant	10.585***	9.603***	10.568***	9.583***	8.960***	9.739***	9.162***	10.731***
	(0.003)	(0.004)	(0.008)	(0.005)	(0.0367)	(0.035)	(0.0359)	(0.033)
Observations	237,170	230,834	256,675	248,294	231,627	215,745	231,627	234,348
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level. We use the benchmark specification with inflation crisis dummies.Our results in the columns (1-2 and 5-6) excludes Latin American countries from the sample.Our results in the columns (3-4 and 7-8) excludes Eastern EU countries from the sample.

5 Conclusions

The growing rise of right-wing populism in Europe is a matter of great concern, given its proven negative impact on local and national economies. Previous research highlights the importance of low levels of human capital among voters and significant inflows of low-skilled immigrants as factors driving support for right-wing populist parties. However, it is equally important to consider that right-wing populism itself can influence the skill composition of immigration and emigration flows. This influence can manifest itself as a deterrent to high-skilled immigration while encouraging high-skilled emigration. As a result, right-wing populism may contribute to a decline in the average educational attainment of both immigrants and voters, creating a worrisome vicious cycle of populism and human capital loss.

Testing this hypothesis is difficult given the paucity of data on migration flows. We use

proxies that measure the size and skill level of migration flows between specific source and destination countries. We also use novel measures of populism that capture the dominant ideology in either the country of origin (for emigration) or the country of destination (for immigration). To address endogeneity concerns, we draw on recent studies showing that significant historical events can shape current circumstances, highlighting the role of collective memory and political legacies in shaping contemporary behavior. We employ an instrumental variable approach, using a combination of historical data, such as the average vote share of extreme right-wing parties between 1900 and 1950, and trigger variables, such as economic uncertainty shocks.

For the first time, our study provides suggestive evidence that an increase in right-wing populism leads to a decrease in the inflow of college-educated migrants, which is twice as sensitive as the inflow of low-skilled migrants. To a lesser extent, we also find that right-wing populism leads to an increase in high-skilled emigration, while having no discernible effect on low-skilled emigration. These results are robust to the method of measuring or estimating migration data and its skill structure.

These effects may be magnified during periods of right-wing populist leadership, which are relatively rare in our sample. However, they are primarily driven by changes in the mean margin of populism, a measure that combines the populism score of all right-wing parties with at least one seat in parliament, whether classified as populist or not. This suggests that the effect of right-wing populism on migration operates mainly through the combination of identitarian, anti-immigrant and anti-establishment attitudes prevailing in the country of origin or destination. This conclusion is reinforced by the fact that changes in migration policy have a relatively small impact on the size of migration flows.

As a result, right-wing populist attitudes tend to reduce the average educational attainment of both immigrants and the rest of the electorate, thereby contributing to the sustained growth and snowballing effect of populism. These findings provide valuable insights into the persistence of right-wing populism in Europe and its self-reinforcing dynamics, despite its proven detrimental effects on the economy.

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Appendix

A Right-Wing Populism Before WW2

Table A.1 lists the parties classified as extreme-right and nationalist in the period 1900-1950. The vote share of these parties is used to compute our collective remembrance variable, REM_i.

Table A.1: Extreme-Right and Nationalist Parties in 1900-1950

Ctry	Party	Ctry	Party
GRC	ethnikon rizospastikon komma	NDL	nationaal-soc. beweging
	komma ton eleftherofronon	NZE	independent national
	ethniki politiki enosis		national
	ethnikon komma ellados	NOR	nasjonal samling
	ethniki politiki enosis	SWE	sveriges nationella forbund
AUS	nationalist party	CHE	schw. bauern/gewerbe/burgerpartei
	constitutionalist		schweizerische konservative volkspartei
	protectionist party	TUR	republican nation party
AUT	christlich-soziale partei		national party
	freiheitliche partei Osterreichs	GBR	Anti-Parnell Nationalists
	verband der unabhangigen		British Empire Party
BEL	christelijke vlaamse volksunie		Home Rule Party
	frontpartij		Independent Nationalists
	union catholique belge		Independent Nationals
CAN	protectionist		Mudiad Gweriniaethol Cymru
	united reform		National Party
	united reform movement		Nationalists
	vlamsch nationaal verbond		Nationals
CHL	National Democratic Party		Parnell Nationalists
DAN	danmarks nationalsoc. arbejderparti		Plaid Cymru
FIN	isanmaallinen kansanliike		Scottish National Party
	kansanpuolue	USA	independent populist
	nuorsuomalaienen puolue		national american
	suomen tyovaenpuolue		national democrat
DEU	nat-soz. deutsche arbeiter partei		national party
	nat. freiheitsbewegung		national populist
	wirtschaftliche aufbauvereinigung		national progressive
Iceland	sjáfstæisflokkur ‘versum’		national recovery
	sjálfstæisflokkur (i)		national reform
	sjálfstæisflokkur (ii)		national republican
	sjálfstæisflokkur ‘langsum		national silver
	borgaraflokkur (i)		national social justice
IRL	monetary reform		national sound money democrat
ISR	unity general-popular movement		national union
	women’s international zionist org.		populist independent
ITA	fronte dell’uomo qualunque		christian nationalist
	fronte democratico popolare		national party
	mov. per l’indipendenza della sicilia		american national
	partito nazionale fascista		american reform
JAP	kokumin kyodo to		workers party of america
	reconstruction party		
	uha shakai to		
LUX	groupement patriotique et démocratique		
	parti national indépendant		
	parti populaire indépendant		
	parti radical		

B Applying the IV Approach to Total Populism

Table B.1 presents the results from the first-stage regressions analyzing the mean spread of the Total Populism index ($TP_{i,t}^{Index}$), computed as the mean populism score of all populist parties, including left-wing and centrist ones. Although the collective memory variable used in our instrumentation strategy can be seen as a better predictor of right-wing populist votes, it can also be seen as a predictor of protest votes and can explain populist reactions of various kinds. Regardless of the crisis dummy considered, the instrument works well. In particular, financial crises lead to a populist response in countries with latent levels of nationalism. This suggests that the parties that benefit from financial crises are not those with the lowest attitudes toward redistribution and the strongest policy preferences for law and order or moral values, which are at the top of the left-right political spectrum by Budge and Laver (2016) and classified as right-wing in our context.

Table B.1: First-Stage Regressions for $TP_{i,t}^{Index}$ (Centrist, Left- and Right-Wing)

	(1)	(2)	(3)	(4)
Inflation crisis	-0.053***			
	(0.001)			
$REM_i \times$ Inflation crisis	0.331***			
	(0.012)			
GDP crisis		-0.031***		
		(0.001)		
$REM_i \times$ GDP crisis		0.105***		
		(0.005)		
Employment crisis			-0.018***	
			(0.001)	
$REM_i \times$ Employment crisis			-0.092***	
			(0.008)	
Financial crisis				-0.023***
				(0.001)
$REM_i \times$ Financial crisis				0.244***
				(0.007)
Constant	-0.050***	-0.051***	-0.037***	-0.024***
	(0.000)	(0.000)	(0.001)	(0.001)
Observations	268,533	275,457	275,457	275,457
R-squared	0.386	0.388	0.386	0.390

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the country level.

C Parallel Pre-Trend Tests

In Table C.1, we test whether immigration and emigration are affected by the collective memory variable (REM_i) after removing observations that belong to a crisis year from the sample (i.e. all observations such that $\mathbf{1}_{i,t} = 1$). Since REM_i does not vary over time, we also remove all fixed effects that include a country dimension, leaving only time fixed effects. For both skill levels, the results indicate statistically insignificant correlations between the collective memory component and migration flows. In line with Goldsmith-Pinkham et al. (2020), these results support the parallel pre-trend hypothesis underlying our identification assumption.

Table C.1: PPML Regressions with the instrument

Panel A	(1)	(2)
	HS Immig.	LS Immig.
REM_i	0.822	1.074
	(1.111)	(1.070)
Constant	7.685***	6.659***
	(0.391)	(0.528)
Observations	244,096	244,096
Year fixed effects	Yes	Yes
Other Fixed Effects	No	No
Panel B	(3)	(4)
	HS Emig.	LS Emig.
REM_i	0.473	-0.275
	(0.333)	(0.704)
Constant	5.676***	6.966***
	(0.232)	(0.286)
Observations	304,292	304,140
Year fixed effects	Yes	Yes
Other Fixed Effects	No	No

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level.

D Results of PPML Regressions

This section presents the results of the standard PPML regressions that do not control for the endogeneity of right-wing populism.

Effect on immigration. – The results of the PPML regressions are presented in Table D.1. The table follows the same structure as Table 5 in the main text.

The results in the top panel indicate that a one standard deviation increase in the mean margin of right-wing populism is associated with a decrease in high-skilled immigration flows ranging from 30 to 37 percent. We find smaller, albeit significant, effects on low-skilled migration. Specifically, a one standard deviation increase in the mean margin of populism is associated with a decrease in low-skilled immigration flows that varies between 12 and 18 percent. Similarly, the bottom panel shows that these results are qualitatively preserved when the volume margin of populism is used. A 10 percentage point increase in the vote share of right-wing populist parties is associated with a 26 to 39 percent decrease in high-skilled immigration. Similarly, low-skilled immigration declines by 16 to 28 percent. It is worth noting that the correlation with the crisis dummy varies depending on the specifications considered. Immigration flows tend to decrease during inflation crises. Surprisingly, they increase during periods of GDP and employment crises.

Table D.1: PPML Regressions with Various Crisis Definitions
Dependent = Annual Skill-Specific Immigration Flows

	Inflation crisis		GDP crisis		Empl. crisis	
	(1)	(2)	(3)	(4)	(5)	(6)
	HS	LS	HS	LS	HS	LS
RWP Index	-0.303***	-0.116***	-0.356***	-0.176***	-0.375***	-0.184***
	(0.025)	(0.025)	(0.024)	(0.025)	(0.024)	(0.024)
Crisis	-0.500***	-0.632***	0.217***	0.187***	0.149***	0.120***
	(0.048)	(0.053)	(0.020)	(0.020)	(0.016)	(0.019)
Constant	10.569***	9.579***	10.358***	9.398***	10.419***	9.457***
	(0.002)	(0.001)	(0.003)	(0.003)	(0.002)	(0.016)
Observations	256,675	248,294	255,377	247,185	256,675	248,294
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes
RWP Votes (%)	-0.026***	-0.016***	-0.039***	-0.028***	-0.039***	-0.028***
	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)	(0.005)
Crises	-0.536***	-0.637***	0.213***	0.181***	0.120***	0.1071***
	(0.049)	(0.052)	(0.021)	(0.023)	(0.016)	(0.018)
Constant	10.590***	9.590***	10.389***	9.422***	10.470***	9.487***
	(0.003)	(0.002)	(0.004)	(0.003)	(0.003)	(0.003)
Observations	256,675	248,294	256,675	248,294	256,675	248,294
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level.Standard errors adjusted for clustering at the origin and destination level. Our benchmark results are reproduced in Cols. (1-2). Cols. (3-4) use GDP crisis episodes in the construction of the instrument. Cols. (5-6) use employment crisis episodes.

Effect on emigration. – The results of the PPML regressions are presented in Table D.2. The table follows the same structure as Table 6 in the main text.

A one standard deviation increase in the mean margin of right-wing populism is associated with an increase in high-skilled emigration flows of about 14.5 percent, while there is no correlation with low-skilled emigration. The bottom panel shows the correlation obtained using the volume range of populism. A 10 percentage point increase in the vote share of right-wing populist parties is correlated with an increase in emigration of between 2 and 4 percent for the high-skilled, while the correlation is insignificant for the low-skilled.

Table D.2: PPML Regressions with Various Crisis Definitions
Dependent = Annual Skill-Specific Emigration Flows

	Inflation crisis		GDP crisis		Empl. crisis	
	(1)	(2)	(3)	(4)	(5)	(6)
	HS	LS	HS	LS	HS	LS
RWP Index	0.145***	0.030	0.143***	0.028	0.144***	0.030
	(0.046)	(0.044)	(0.042)	(0.039)	(0.041)	(0.039)
Crisis	-0.043	0.022	-0.136***	-0.163***	-0.190***	-0.152***
	(0.076)	(0.065)	(0.031)	(0.034)	(0.027)	(0.027)
Constant	9.065***	10.611***	8.984***	10.477***	8.989***	10.475***
	(0.006)	(0.010)	(0.004)	(0.005)	(0.003)	(0.004)
Observations	214,632	217,157	284,883	288,239	284,883	288,239
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes
RWP Votes (%)	0.002***	-0.001	0.003***	0.001	0.004***	0.001
	(0.000)	(0.004)	(0.000)	(0.003)	(0.000)	(0.002)
Crises	-0.038	0.2243	-0.140***	-0.163***	-0.154***	-0.241***
	(0.076)	(0.176)	(0.031)	(0.034)	(0.027)	(0.073)
Constant	9.057***	10.734***	8.973***	10.614***	10.458***	11.642***
	(0.006)	(0.020)	(0.004)	(0.013)	(0.005)	(0.005)
Observations	214,632	217,157	284,883	288,239	288,239	288,239
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level.Our benchmark results are reproduced in Cols. (1-2). Cols. (3-4) use GDP crisis episodes in the construction of the instrument. Cols. (5-6) use employment crisis episodes.

E Right-Wing Populism and Total Migration Flows

Data on migration flows categorized by educational attainment are not directly observable. We use estimates of dyadic migration flows and imputation techniques to predict their skill

structure. In Tables E.1 and E.2, we present our PPML and IV results applied to total migration flows without imputation of their skill structure. These results are consistent with our benchmark analysis.

Table E.1: Robustness to Migration Data Source
Dependent = Total Immigration Flow

	(1) PPML Abel (2018)	(2) PPML Standaert and Rayp (2022)	(3) IV Abel (2018)	(4) IV Standaert and Rayp (2022)
RWP index	-0.240***	-0.098***	-0.247***	-0.096***
	(0.055)	(0.057)	(0.024)	(0.025)
Constant	9.820***	10.796***	9.956***	10.837***
	(0.001)	(0.001)	(0.001)	(0.010)
Observations	374,576	220,174	260,708	220,174
Origin-Dest FE	Yes	Yes	Yes	Yes
Origin-Time FE	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level. Cols. (1) and (3) rely the migration data from Abel (2018) and provide PPML and IV estimates. Cols. (2) and (4) rely on the data set of Standaert and Rayp (2022), estimated with PPML or IV.

Table E.2: Robustness to Migration Data Source
Dependent = Total Emigration Flow

	(1) PPML Abel (2018)	(2) PPML Standaert and Rayp (2022)	(3) IV Abel (2018)	(4) IV Standaert and Rayp (2022)
RWP Index	0.100**	0.160***	0.075*	0.225***
	(0.041)	(0.046)	(0.042)	(0.050)
Constant	10.526***	8.984***	12.017***	11.986***
	(0.001)	(0.001)	(1.746)	(1.130)
Observations	303,006	339,012	222,700	246,941
Origin-Dest FE	Yes	Yes	Yes	Yes
Origin-Time FE	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level. Cols. (1) and (3) rely the migration data from Abel (2018) and provide PPML and IV estimates. Cols. (2) and (4) rely on the data set of Standaert and Rayp (2022), estimated with PPML or IV.

F Construction of the Migration Policy Variable

For each year, we compute the change in policy restrictiveness by qualification group, $\Delta \text{Pol}_{i,t}^{S}$ for $S = (\text{Low}, \text{High})$, as the sum of reported major changes in migration restrictions in the DEMIG data (DEMIG, 2015). In Table F.1, we show that changes in policy

restrictiveness are positively correlated with the average margin of right-wing populism, especially during episodes of populist leadership (extended definition only), and negatively correlated with inflation crises.

Table F.1: Correlates of the Changes in Migration Policy
Dependent = Variation in Restrictiveness ($\Delta \text{Pol}^S_{i,t}$)

	(1)	(2)	(3)	(4)
VARIABLES	HS	LS	HS	LS
RWP index	0.168***	0.184***	0.226***	0.220***
	(0.012)	(0.013)	(0.014)	(0.014)
Infl. Crisis	-0.127***	-0.118***	-0.114***	-0.110***
	(0.017)	(0.018)	(0.018)	(0.018)
RWP leadership (strict)	0.016	-0.000		
	(0.019)	(0.019)		
RWP leadership (extended)			0.146***	0.091***
			(0.019)	(0.019)
Constant	-0.573***	-0.700***	-0.724***	-0.795***
	(0.017)	(0.023)	(0.026)	(0.031)
Observations	265,288	265,288	265,288	265,288
R-squared	0.051	0.048	0.052	0.048
Year fixed effects	Yes	Yes	Yes	Yes
Country fixed effects	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the country level.

G Left-Wing Populism and Migration Flows

Instead of focusing on right-wing populism, we present below the results of a PPML regression where dyadic immigration and emigration flows are regressed on the mean margin of left-wing populism or the vote share of left-wing populist parties. We control for different types of crises. Changes in left-wing populism are not instrumented.

In Table G.1, the results for immigration are the opposite of those for right-wing populism. In the top panel, a one standard deviation increase in the mean margin of left-wing populism is associated with an increase in immigration flows that varies between 13 and 16 percent. The effects are quantitatively similar for low-skilled and high-skilled immigrants. In the lower panel, a 10 percentage point increase in the vote share of left-wing populist parties is associated with an increase in immigration of between 1 and 4 percent.

In Table G.2, the results for emigration go in the same direction as those for right-wing populism. In the top panel, a one standard deviation increase in the mean margin of left-wing populism is associated with an increase in emigration flows that varies between 13 and 18 percent. The effects are quantitatively similar for low-skilled and high-skilled immigrants. In the lower panel, a 10 percentage point increase in the vote share of left-wing populist parties is associated with an increase in emigration of between 1 and 5

percent.

Table G.1: PPML Regressions with Various Crisis Definitions
Dependent = Annual Skill-Specific Immigration Flows – Left-Wing populism

	Inflation crisis		GDP crisis		Empl. crisis	
	(1)	(2)	(3)	(4)	(5)	(6)
	HS	LS	HS	LS	HS	LS
LWP Index	0.143***	0.134***	0.148***	0.133***	0.157***	0.103***
	(0.030)	(0.036)	(0.030)	(0.036)	(0.020)	(0.019)
Crises	-0.497***	-0.630***	0.208***	0.176***	0.121***	0.103**
	(0.048)	(0.053)	(0.021)	(0.021)	(0.016)	(0.017)
Constant	10.593***	9.600***	10.389***	9.430***	10.467***	9.494****
	(0.004)	(0.003)	(0.018)	(0.018)	(0.017)	(0.016)
Observations	256,675	248,294	255,377	247,185	256,675	248,294
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes
LWP Votes	0.004***	0.001*	0.004***	0.002*	0.003***	0.001
	(0.001)	(0.000)	(0.001)	(0.001)	(0.001)	(0.001)
Crises	-0.561***	-0.657***	0.207***	0.180***	0.117***	0.105***
	(0.049)	(0.052)	(0.021)	(0.021)	(0.020)	(0.019)
Constant	10.572***	9.585***	10.369***	9.413***	10.446***	9.478***
	(0.003)	(0.002)	(0.018)	(0.018)	(0.017)	(0.016)
Observations	256,675	248,294	256,675	248,294	256,675	248,294
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level.Standard errors adjusted for clustering at the origin and destination level. Our benchmark results are reproduced in Cols. (1-2). Cols. (3-4) use GDP crisis episodes in the construction of the instrument. Cols. (5-6) use employment crisis episodes.

Table G.2: PPML Regressions with Various Crisis Definitions
Dependent = Annual Skill-Specific Emigration Flows – Left-Wing populism

	Inflation crisis		GDP crisis		Empl. crisis	
	(1)	(2)	(3)	(4)	(5)	(6)
	HS	LS	HS	LS	HS	LS
LWP Index	0.143***	0.180***	0.144***	0.174***	0.142***	0.181***
	(0.051)	(0.048)	(0.050)	(0.048)	(0.051)	(0.049)
Crises	-0.023	0.025	-0.132***	-0.153***	-0.189***	-0.160***
	(0.077)	(0.068)	(0.035)	(0.038)	(0.028)	(0.028)
Constant	9.111***	10.679***	9.127***	10.709***	8.989***	10.475***
	(0.006)	(0.010)	(0.006)	(0.007)	(0.003)	(0.004)
Observations	231,627	234,348	230,827	233,539	230,827	233,539
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes
LWP Votes	0.005***	0.010***	0.005***	0.010***	0.006***	0.010***
	(0.002)	(0.002)	(0.001)	(0.001)	(0.002)	(0.002)
Crises	-0.038	-0.002	-0.128***	-0.147***	-0.193***	-0.166***
	(0.076)	(0.065)	(0.035)	(0.038)	(0.027)	(0.028)
Constant	9.083***	10.641***	9.100***	10.673***	9.106***	10.673***
	(0.008)	(0.013)	(0.004)	(0.006)	(0.005)	(0.005)
Observations	231,627	234,3487	230,827	233,539	288,239	288,239
Origin-Time FE	Yes	Yes	Yes	Yes	Yes	Yes
Origin-Dest FE	Yes	Yes	Yes	Yes	Yes	Yes

Notes: ***, **, and * indicate statistical significance at the 1%, 5% and 10% levels respectively. Standard errors adjusted for clustering at the origin and destination level.Our benchmark results are reproduced in Cols. (1-2). Cols. (3-4) use GDP crisis episodes in the construction of the instrument. Cols. (5-6) use employment crisis episodes.