

Table 1. Summary Statistics

	Source	Mean	Std. Dev.	Obs.
Support for Right-Wing Extremism	Eurobarometer	0.016	0.027	610
Support for Left-Wing Extremism	Eurobarometer	0.041	0.052	610
Share of Net Oil Exports in GDP	OECD Statistics	-0.013	0.033	610
GDP p.c. Growth	OECD Statistics	0.012	0.054	610
Mean-to-Median After Tax Income Ratio	OECD Statistics	1.145	0.062	610
GDP p.c.	OECD Statistics	16588	11462	610
Gini	OECD Statistics	31.365	4.167	302
Labor Income Share	OECD Statistics	0.699	0.050	302
Unemployment Rate	OECD Statistics	8.739	4.223	302

**Table 2. GDP Growth and Right-Wing Extremism
(Baseline)**

	Support for Right-Wing Extremism				
	(1)	(2)	(3)	(4)	(5)
	LS	LS	LS	LS	LS
GDP p.c. Growth, t-1	-0.071*** (-2.73)		-0.069*** (-3.31)	-0.071*** (-3.52)	-0.136*** (-2.80)
ln(GDP p.c.), t-1		0.004 (0.75)	0.004 (0.67)	0.002 (0.39)	0.001 (0.11)
Within-Country R ²	0.086	0.079	0.087	0.087	0.156
Country Fixed Effect	No	No	No	Yes	Yes
Time Fixed Effect	No	No	No	No	Yes
Observations	610	610	610	610	610

Note: The method of estimation is least squares. The t-values listed in parentheses are based on Huber robust standard errors clustered at the country level.
*Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 3. GDP Growth and Right-Wing Extremism
(Robustness: Non-Linearities)

Support for Right-Wing Extremism					
	(1)	(2)	(3)	(4)	(5)
	LS	LS	LS	LS	LS
	Excluding Growth Observations Top and Bottom				
			1st Percentile	5th Percentile	10th Percentile
GDP p.c. Growth, t-1		-0.140*** (-2.67)	-0.152*** (-2.85)	-0.173** (-2.54)	-0.156* (-1.82)
[GDP p.c. Growth, t-1] ²		-0.203 (0.336)			
GDP p.c. Growth, t-1 Positive [P]	-0.110** (-2.12)				
GDP p.c. Growth, t-1 Negative [N]	-0.168** (-2.45)				
Test (p-value) [P]=[N]	0.406				
Within-Country R ²	0.157	0.156	0.160	0.168	0.185
Country Fixed Effect	Yes	Yes	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes	Yes	Yes
Observations	610	610	597	548	488

Note: The method of estimation is least squares. The t-values listed in parentheses are based on Huber robust standard errors that are clustered at the country level. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 4. GDP Growth and Right-Wing Extremism
(Robustness: GDP Growth Averaged Over Longer Periods)

	Support for Right-Wing Extremism			
	(1)	(2)	(3)	(4)
	LS	LS	LS	LS
GDP p.c. Growth, Average t-1 to t-4	-0.076** (-2.34)			
GDP p.c. Growth, Average t-1 to t-4, Positive [P]		-0.090** (-2.42)		
GDP p.c. Growth, Average t-1 to t-4, Negative [N]		-0.065** (-2.07)		
GDP p.c. Growth, Average t-1 to t-10			-0.027* (-1.91)	
GDP p.c. Growth, Average t-1 to t-10, Positive [P]				-0.030* (-1.91)
GDP p.c. Growth, Average t-1 to t-10, Negative [N]				-0.025* (-1.71)
Test (p-value) [P]=[N]		0.287		0.678
Within-Country R ²	0.185	0.187	0.175	0.175
Country Fixed Effect	Yes	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes	Yes
Observations	610	610	574	574

Note: The method of estimation is least squares. The t-values listed in parentheses are based on Huber robust standard errors that are clustered at the country level. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 5. GDP Growth and Right-Wing Extremism
(Robustness to Controlling for Lagged Vote Shares)

	Support for Right-Wing Extremism			
	(1)	(2)	(3)	(4)
	LS	LS	SYS-GMM	SYS-GMM
GDP p.c. Growth, t-1	-0.050** (-2.00)	-0.040* (-1.71)	-0.062** (-2.46)	-0.075** (-2.17)
Voteshare, t-1	0.713*** (9.01)	0.776*** (29.73)	0.657*** (11.88)	0.726*** (11.21)
Voteshare, t-2		0.053 (0.88)		0.036 (0.95)
AR (2) Test, p-value	.	.	0.122	0.162
Country Fixed Effect	Yes	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes	Yes
Observations	530	484	530	530

Note: The method of estimation in columns (1) and (2) is least squares; columns (3) and (4) system-GMM. The t-values shown in parentheses are based on Huber robust standard errors that are clustered at the country level. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 6. GDP Growth and Right-Wing Extremism
 (Robustness to Controlling for Lagged Gini, Labor Income Shares, and Unemployment)

	Support for Right-Wing Extremism		
	(1)	(2)	(3)
	LS	LS	SYS-GMM
GDP p.c. Growth, t-1	-0.169** (-2.82)	-0.070* (-1.71)	-0.071* (-1.95)
Gini, t-1	0.000 (0.83)	0.000 (0.14)	-0.000 (-0.14)
Labor Income Share, t-1	-0.182* (-1.95)	-0.014 (-0.24)	-0.008 (-0.14)
Unemployment Rate, t-1	0.002** (2.20)	-0.000 (-0.21)	-0.000 (-0.32)
Voteshare, t-1		0.543*** (4.51)	0.571*** (4.23)
AR (2) Test, p-value	.	.	0.136
Country Fixed Effect	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes
Observations	302	250	250

Note: The method of estimation in columns (1) and (2) is least squares; column (3) system-GMM. The t-values shown in parentheses are based on Huber robust standard errors that are clustered at the country level. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 7. GDP Growth and Right-Wing Extremism
(Robustness Instrumental Variables Estimation)

	Support for Right-Wing Extremism		
	(1)	(2)	(3)
	2SLS	2SLS	2SLS
GDP p.c. Growth, t-1	-0.367** (-2.63)		
Average GDP p.c. Growth, t-1 to t-4		-0.325*** (-2.82)	
Average GDP p.c. Growth, t-1 to t-10			-0.139** (-2.36)
Kleibergen-Paap F-stat	19.63	22.74	11.59
Hansen J Test, p-value	0.43	0.54	0.54
Endogeneity Test, p-value	0.54	0.52	0.52
Country Fixed Effect	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes
Observations	610	610	574

Note: The method of estimation is two-stage least squares. The t-values shown in parentheses are based on Huber robust standard errors that are clustered at the country level. The instrumental variables are the $t-2$ to $t-5$ oil price growth rate weighted by the country-specific (time-invariant) net export share of oil in GDP. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 8. GDP Growth and Left-Wing Extremism

	Support for Left-Wing Extremism						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	LS	LS	LS	LS	2SLS	2SLS	2SLS
GDP p.c. Growth, t-1	-0.048 (-1.03)	-0.072 (-1.33)			-0.000 (-0.00)		
ln(GDP p.c.), t-1	0.006 (0.84)	0.011 (1.68)					
Average GDP p.c. Growth, t-1 to t-4			-0.035 (-1.04)			0.204 (0.14)	
Average GDP p.c. Growth, t-1 to t-10				-0.001 (-0.04)			0.121 (1.01)
Kleibergen-Paap F-stat	.	.	.	.	19.63	22.74	11.59
Hansen J Test, p-value	.	.	.	.	0.47	0.83	0.67
Endogeneity Test, p-value	.	.	.	.	0.64	0.81	0.21
Country Fixed Effect	No	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effect	No	Yes	Yes	Yes	Yes	Yes	Yes
Observations	610	610	610	574	610	610	574

Note: The method of estimation in columns (1)-(4) is least squares; columns (5)-(7) two-stage least squares. The t-values shown in parentheses are based on Huber robust standard errors that are clustered at the country level. The instrumental variables are the $t-2$ to $t-5$ oil price growth rate weighted by the country-specific (time-invariant) net export share of oil in GDP. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 9. GDP Growth and Extremism
(Left-Wing and Right-Wing Extremism, No Distinction)

	Support for Extremism						
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	LS	LS	LS	LS	2SLS	2SLS	2SLS
GDP p.c. Growth, t-1	-0.114** (-2.45)	-0.208*** (-2.75)			-0.367* (-1.90)		
GDP p.c. Level, t-1	0.010 (0.93)	0.011 (0.93)					
Average GDP p.c. Growth, t-1 to t-4			-0.111*** (-2.67)			-0.120 (-1.26)	
Average GDP p.c. Growth, t-1 to t-10				-0.028* (-1.80)			-0.015 (-0.18)
Kleibergen-Paap F-stat	.	.	.	.	19.63	22.74	11.59
Hansen J Test, p-value	.	.	.	.	0.59	0.81	0.69
Endogeneity Test, p-value	.	.	.	.	0.96	0.91	0.63
Country Fixed Effect	No	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effect	No	Yes	Yes	Yes	Yes	Yes	Yes
Observations	610	610	610	574	610	610	574

Note: The dependent variable is the share of survey votes received by extreme right-wing and extreme left-wing parties. The method of estimation in columns (1)-(4) is least squares; columns (5)-(7) two-stage least squares. The t-values shown in parentheses are based on Huber robust standard errors that are clustered at the country level. The instrumental variables are the $t-2$ to $t-5$ oil price growth rate weighted by the country-specific (time-invariant) net export share of oil in GDP. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 10. GDP Growth, Inequality, and Right-Wing Extremism

	Support for Right-Wing Extremism					
	(1)	(2)	(3)	(4)	(5)	(6)
	2SLS	2SLS	2SLS	LS	LS	LS
Panel A: 8 OECD Countries With Highest Median to Mean Income Ratio (Low Inequality)						
GDP p.c. Growth, t-1	-0.891*** (-4.87)			-0.229*** (-3.13)		
Average GDP p.c. Growth, t-1 to t-4		-0.397*** (-2.90)			-0.090** (-2.08)	
Average GDP p.c. Growth, t-1 to t-10			-0.158*** (-3.02)			-0.060* (-1.86)
Kleibergen-Paap F-stat	47.32	61.06	10.91	.	.	.
Hansen J Test, p-value	0.32	0.59	0.81	.	.	.
Endogeneity Test, p-value	0.44	0.08	0.07	.	.	.
Country Fixed Effect	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes	Yes	Yes	Yes
Observations	253	253	237	253	253	237
Panel B: 8 OECD Countries With Lowest Median-to-Mean Income Ratio (High Inequality)						
GDP p.c. Growth, t-1	-0.034 (-0.09)			-0.167 (-1.47)		
Average GDP p.c. Growth, t-1 to t-4		0.016 (0.37)			-0.084 (-1.55)	
Average GDP p.c. Growth, t-1 to t-10			-0.035 (-0.09)			0.001 (0.11)
Kleibergen-Paap F-stat	273.12	116.50	273.12	.	.	.
Hansen J Test, p-value	0.48	0.97	0.47	.	.	.
Endogeneity Test, p-value	0.08	0.02	0.08	.	.	.
Country Fixed Effect	Yes	Yes	Yes	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes	Yes	Yes	Yes
Observations	357	357	337	357	357	337

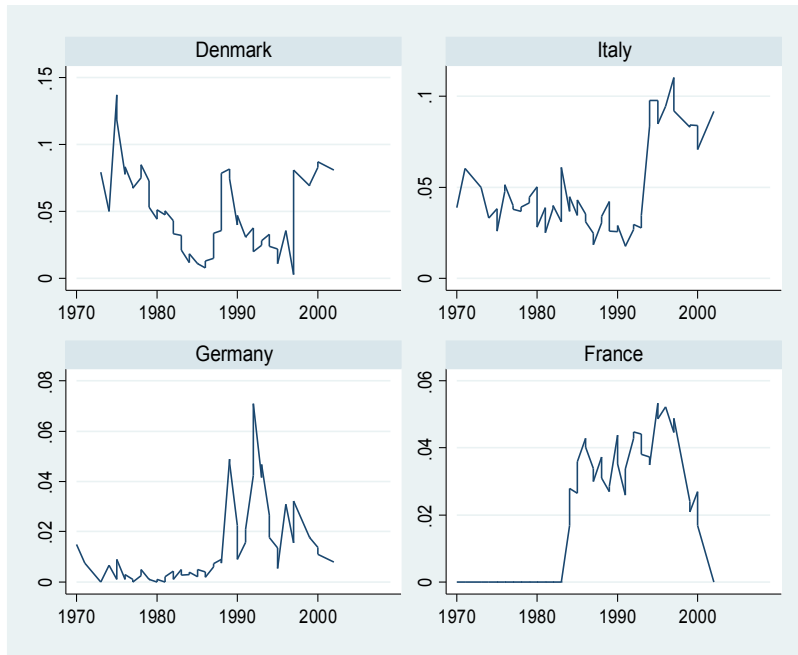
Note: The dependent variable is the share of survey votes received by extreme right-wing parties. The method of estimation in columns (1)-(3) is two-stage least squares; columns (4)-(6) least squares. The t-values listed in parentheses are based on Huber robust standard errors that are clustered at the country level. The instrumental variables for the two-stage least squares estimation are the $t-2$ to $t-5$ oil price growth rate weighted by the country-specific (time-invariant) net export share of oil in GDP. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Table 11. Future GDP Growth, Inequality, and Right-Wing Extremism

Support for Right-Wing Extremism				
	Low Inequality		High Inequality	
	(1)	(2)	(3)	(4)
	LS	2SLS	LS	2SLS
Panel A: Predictable Future GDP p.c. Growth				
Predicted GDP p.c. Growth, t+1	-0.663*** (-5.12)	-0.839*** (-2.81)	-0.136 (-0.96)	-0.153 (-0.27)
Kleibergen-Paap F-stat	.	19.05	.	42.27
Hansen J Test, p-value	.	0.41	.	0.96
Endogeneity Test, p-value	.	0.92	.	0.13
Panel B: Actual Future GDP p.c. Growth				
GDP p.c. Growth, t+1	-0.262*** (-8.21)	-0.792** (-1.98)	-0.008 (-0.20)	0.013 (0.04)
Kleibergen-Paap F-stat	.	7.37	.	79.37
Hansen J Test, p-value	.	0.28	.	0.74
Endogeneity Test, p-value	.	0.14	.	01.7
Country Fixed Effect	Yes	Yes	Yes	Yes
Time Fixed Effect	Yes	Yes	Yes	Yes
Observations	253	253	357	357
Countries	8	8	8	8

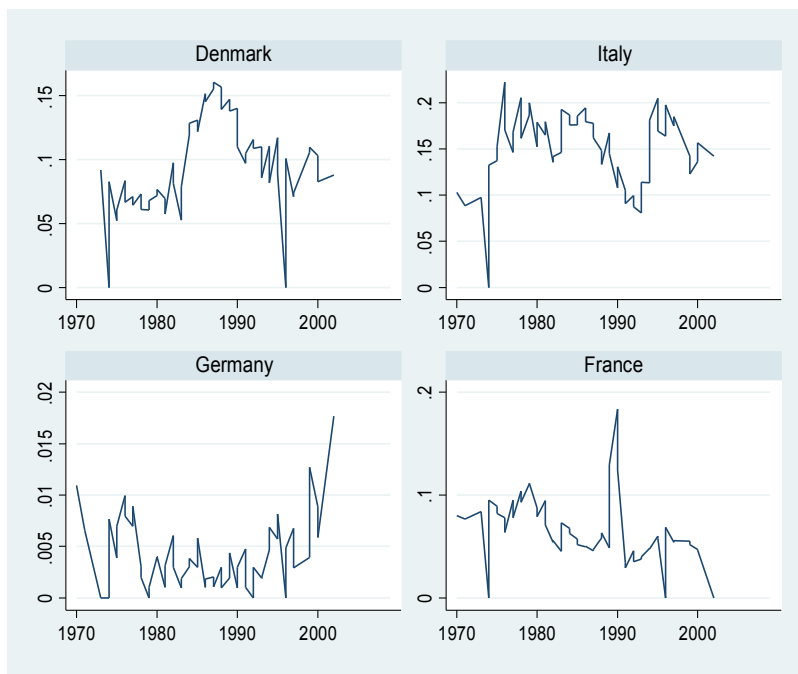
Note: The dependent variable is the share of survey votes received by extreme right-wing parties. The method of estimation in columns (2) and (4) is two-stage least squares; columns (1) and (3) least squares. *Predicted GDP Growth, t+1* refers to the predicted value of t+1 GDP per capita growth which is obtained from an AR(2) regression of t+1 GDP per capita growth on current and lagged GDP per capita growth. Columns (1) and (2) report estimates for the eight OECD Countries with highest median to mean income ratio (Low Inequality) . Columns (3) and (4) report estimates for the eight OECD Countries with lowest median to mean income ratio (High Inequality). The t-values listed in parentheses are based on Huber robust standard errors that are clustered at the country level. The instrumental variables for the two-stage least squares estimation are the *t* to *t-3* oil price growth rate weighted by the country-specific (time-invariant) net export share of oil in GDP. *Significantly different from zero at the 10 percent significance level, ** 5 percent level, *** 1 percent level.

Figure 1. Time-Series Plots of the Support for Right-Wing Extremism



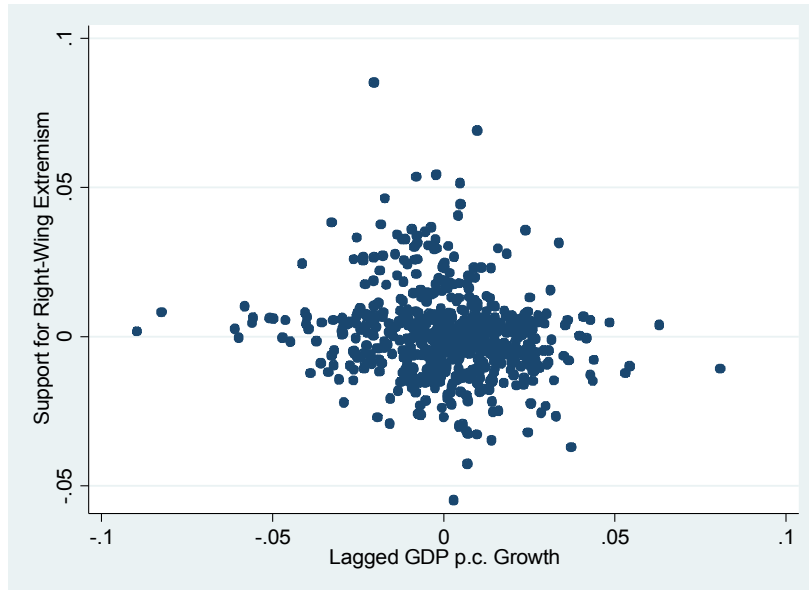
Source: Eurobarometer. The figure is based on answers to the question: “If there were general elections tomorrow, which party would you vote for?”. The figure plots the share of people that selected as an answer to the previous question extreme right-wing parties. Extreme right-wing parties are classified according to the ZEUS party code.

Figure 2. Time-Series Plots of the Support for Left-Wing Extremism



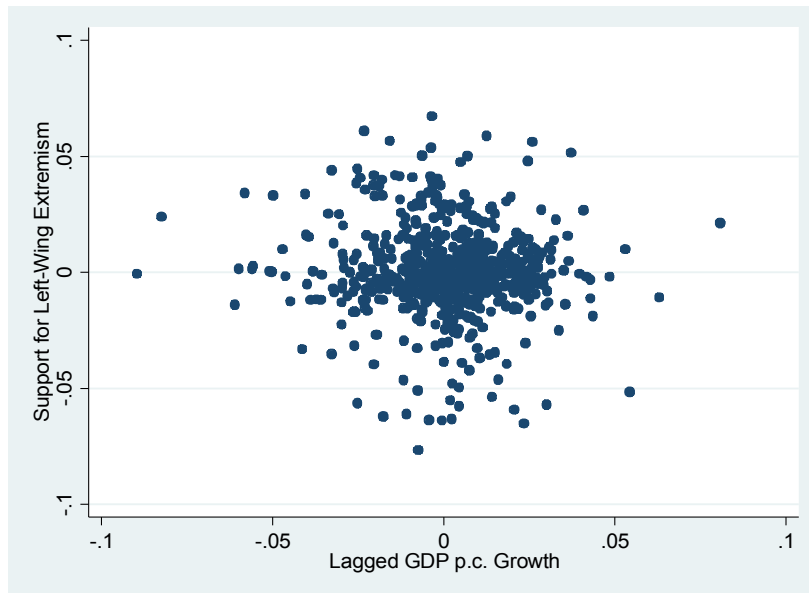
Source: Eurobarometer. The figure is based on answers to the question: “If there were general elections tomorrow, which party would you vote for?”. The figure plots the share of people that selected as an answer to the previous question extreme left-wing parties. Extreme left-wing parties are classified according to the ZEUS party code.

Figure 3. GDP Growth and Right-Wing Extremism



Note: The support for right-wing extremism (y-axis) and lagged GDP p.c. growth (x-axis) have been demeaned from the country and time fixed effects.

Figure 4. GDP Growth and Left-Wing Extremism



Note: The support for left-wing extremism (y-axis) and lagged GDP p.c. growth (x-axis) have been demeaned from the country and time fixed effects.

Appendix Table 1. List of Extreme Right-Wing and Extreme Left-Wing Parties

Country	Extreme Right-Wing Party	Extreme Left-Wing Party
Austria	Freiheitliche Partei Oesterreichs	Kommunistische Partei Oesterreichs
Belgium	Vlaams Blok; Front National; Agir	Parti Communiste
Denmark	Fremskridtspartiet; Dansk Folkeparti	Danmarks Kommunistiske Parti; Socialistik Folkeparti Marx Lenin; Kommunistiske Arbejderpartii; Faelles Kurs
Finland	Soumen Kristillinen Liitto; Perussuomalaiset	Vasemmistoliitto; Suomen Kansan Demokraattinen Liitto; Demokraattinen Vaihtoehto; Kommunisten Tyovaen Poulue; Suomen Kommunistinen Puolue
France	Front National; Tixier	Parti Communiste Francais; Lutte Ouvriere
West-Germany	Nationale Partei; Die Republikaner; Freie Arbeiterpartei; Deutsche Volks Union; Bayern Partei; Aktion Unabhaengiger Deutscher; Freisozial Union; Unabhaengige Arbeiterpartei; Republikaner	Deutsche Kommunistische Partei; Marxistische Leninistische Partei; Aktion Demokratischer Fortschritt; Partei Deutscher Sozialisten
Great Britain	-	-
Greece	Ethniki Politiki Enosis; National Front	Sinaspismos; Kommounistiko Komma Elladas; Eliniki Aristera; KKE Esoterikou; New Left Eniaia Dimokratiki Aristera
Ireland	-	Sinn Fein
Italy	Movimento Sociale Italia; Partito Democratico di United Monarchia; Democrazia Nazionale; Alleanza Nazionale	Partito Comunista; partito Socialista Italiano di United Proletaria; Rifondazione Comunista; Partito Democratico della Sinistra; Democrazia Proletaria
Luxembourg	-	Kommunistische Partei, Déi Lénk
Netherlands	Centrumpartij	Communistische Partij
Norway	Fremskrittspartiet	Norge Kommunister Partiet; arbeide Kommunister Partiet; Radikale Venstre
Portugal	Partido Popular Monarquico	Coligacao Democratica Unitaria; partido Comunista Portuguesa; Aliance Povo Unido; Uniao Democratica Popular
Spain	-	Izquierda Unida; Partido de los Trabajadores de Espana; Partido Comunista de los Pueblos de Espana; Nueva Izquierda
Sweden	-	Sveriges Kommunistiska Parti