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## Title

Refugees and Their Effects on Voting in Host Countries: A German Social Analysis

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## Refugees and Their Effects on Voting in Host Countries: A German Social Analysis

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### Abstract:

The decision by Germany to lead the effort against the refugee crisis in 2015 sparked controversy among many of its native population. With over a million new refugees in 2015 and 2016 alone fleeing war and terorrism from mainly Syria, Iraq, and Afghanistan, member's of Germany's far-right were outraged by the decision. The AfD used the controversy to create a platform and gain popularity. They eventually gained the third most votes in the 2017 federal election, the first time in 60 years that an openly nationalistic party would enter parliament. In this paper, we analyze how an increasing number of refugees affects voting sentiment in Germany. We search for causal effects of refugee numbers on voting for far-right political parties. We perform our analysis with multiple regression models, mainly relying on fixed effects to determine causality. Although our initial hypothesis was that there should be a positive relationship between the refugee share and voting for far-right political parties, our results indicate the opposite. We found that an increase in the amount of refugees actually decreases the average vote share for anti-refugee political parties. This falls in line with contact theory, the idea being that exposure between natives and foreigners can help create tolerance and acceptance among both groups. Our analysis could be improved more, as many of our results show to be insignificant. If we took a more granular approach by analyzing county-level data, we may be able to better isolate the effect that an increase in the refugee share has on voting.

## Introduction:

In times of crisis around the world, people must often flee their countries for their own safety. Safer and more developed nations often times must take the responsibility of harboring said refugees. Host countries are usually faced with a moral dilemma when considering providing a safe haven for refugees. On one hand, many would feel that it is their humanitarian duty to protect innocent individuals who are escaping catastrophic conflicts. Conversely, a sovereign nation has a duty to itself to ensure that individuals entering their country are peaceful and won't pose a threat to its own citizens. Those who oppose accepting large numbers of refugees often claim that refugees may destabilize the social equilibrium in their country. This same sentiment often leads people to adopt more radical ideologies in regards to refugees and immigrants in general. Right-wing nationalist parties usually take this opportunity to garner political support by opposing refugee absorption.

In 2015, German Chancellor Angela Merkel famously proclaimed "We can do this" in response to the hundreds of thousands of Middle Eastern refugees amassing on Europe's borders. 2015 saw nearly 500,000 asylum applicants to Germany, the following year spiked to 750,000. Merkel's opponents, largely the far-right Alternative for Germany (AfD), strongly opposed this move, and seemed to profit from it. Following the mass absorption of refugees, the AfD saw larger support in several state elections and eventually became the Bundestag's largest opposition party in the federal election of 2017. The refugee crisis in 2015 serves as an excellent natural experiment to determine the effects of an increase in refugees due to the dramatic and unexpected rise in asylum seekers in Germany. Normally, asylum seekers hoping to find refuge in Europe are supposed to be handled according to the Dublin Regulation. The Dublin Regulation is a law that gives the responsibility of harboring refugees to the first country in Europe that the asylum seekers set foot on. As the majority of the refugees in 2014/2015 came via the Balkan Route, they were supposed to be absorbed into countries such as Greece, but they much preferred to reside in more Western European nations, such as Germany or Sweden. This eventually forced Germany to bear much of the responsibility in solving the refugee crisis.

Refugees are initially labeled as asylum applicants. When they apply for asylum, they are distributed among the sixteen federal states in Germany, based on a formula determined by each state's population and tax revenue. After the initial distribution, refugees are assigned to specific reception centers within their assigned state. At these reception centers, refugees are required to stay for up to six months while waiting for their applications to be processed.

While there is imaginably significant endogeneity in the distribution of refugees, this situation is arguably similar to a natural experiment. Due to the severity and urgency of the crisis, many refugees were not successfully distributed to their determined states, due to lack of housing and the simple need to move refugees away from the German border. Oftentimes, refugees were allocated to areas by the simple motivation of that area having some sort of acceptable housing accommodation. These accommodations could range from old military barracks to recently

closed hotels. So, a degree of the distribution of refugees could actually be perceived to be "random" in the cases where refugees were allocated to any area that could sustain them.

This paper aims to identify how the resettlement of refugees affects political sentiment in host countries. We will look at German social survey data corresponding to years before and after the mass refugee migration to Germany to measure political sentiment. Specifically, we will analyze German citizen's preferences to vote for far-right political parties throughout the years 2013-2019. We determine anti-refugee political parties to include the AfD and the NPD, for their history of anti-refugee and xenophobic sentiment. Our analysis will cover state-wide refugee migration numbers to determine if the resettlement of refugees affected political sentiment.

## Literature Review:

There have been several research studies that analyze the effect of immigration on voting for far-right political parties. Each paper mentioned studies the effects in different countries. One study in particular, seeks to answer an almost identical question to ours. Johannes & Becker (2020) analyze how the refugee crisis in 2015 affected the vote share for the AfD party in the 2016 state elections. Where his paper varies from ours is that he conducts a municipal-wide analysis in only one state in Germany, Baden-Wurtemberg, due to limitations in data. He also only uses one year of data for his analysis while we use seven. While this may reflect short-term responses to the influx of refugees due to the elections taking place less than a year after the crisis, one may argue that the effects can not be observed in such a short time frame. Our use of annual surveys to indicate voting behavior allows us to not be confined by the frequency of

elections. Thus, we can analyze voting behavior for each year in the range of our analysis and avoid the circumstance where changes in voting behavior due to immigration are only apparent after a longer period of time.

The researcher gives helpful insight and context that can prove useful in our analysis in this paper. Instead of using the refugee share as their independent variable of interest, they use the share of refugee accommodations to reflect the increase in refugees. They analyze two different effects. First, the backyard effect, being how the increase in refugee accommodations affects voting in the same municipality. Second, the neighborhood effect, to analyze how the increase in refugee accommodations in one municipality affects voting in neighboring municipalities. The researchers found a strong, positive correlation for the backyard effect. They found that one additional refugee accommodation per 1,000 residents increases the AfD vote share by 0.6 percentage points on average. However, they found no significant effect for the neighboring effect. This paper shows then, that there is at least some evidence that points to a positive relationship between an increase in refugees and voting for far-right political parties.

In Steinmayr (2021), the researcher studies how refugee flow from Upper Austria to Germany in 2015 affected voting for the far right. More interestingly, the researcher discerns between the effect of exposure to refugee traffic and the effect of more long term exposure to refugees residing in Austria. The hypothesis is that the effect of refugee flow on voting behavior varies depending on the level of interaction between natives and refugees.

The researcher was able to exploit the fact that prior to the refugee migration to Germany, 42% of Upper Austrian municipalities were already accommodating existing asylum seekers. Due to this, they were able to distinguish between the effect that refugees had on their municipalities' voting patterns when interaction between natives and refugees existed or not. As is true with nearly all studies on this topic, the distribution of refugees is not random. Therefore, the researcher uses an instrument to address the endogeneity of refugee distribution. The researcher chose to use the availability of buildings that can house large groups of people, such as student accommodations and housing for the elderly/disabled. The idea is that these buildings were not intended to house asylum seekers, therefore there should be no direct effect of said buildings on voting patterns. The researcher's results showed that for the case where natives have prolonged interaction with refugees, the presence of asylum seekers in a municipality reduces the Far Right vote share by 3.86 percentage points in state elections. For the second case, where natives are only exposed to refugee traffic, there is an increase in the Far Right vote share by 1.47 percentage points in state elections. The idea that prolonged interaction with refugees reduces the far-right vote share is a particularly interesting result that falls in line with contact theory. The idea of contact theory will be expanded upon later in this paper.

Another study that focuses on the refugee crisis in Germany comes from Gehrsitz et al. (2016), provides a more comprehensive analysis on the effects of immigration in Germany. Namely, they analyze the effect of the refugee crisis on unemployment, crime, and voting behavior.

Similarly to the previous study, they focus on county level data. They also provide a short run analysis of the refugee crisis, as the study was published in 2016, they were among the first to research the crisis.

The researchers' results tell an important story about the refugees' integration into Germany. First, they find little displacement of native workers by refugees. Considering that oftentimes, displacement of jobs by immigrants often motivates natives to gravitate towards anti-immigrant political parties, this could mean that natives in Germany may not feel as threatened by refugees as they normally would.

Additionally, the researchers find no significant relationship between an increase in refugees and an increase in street crimes. This also may reduce the likelihood that natives in Germany would develop anti-refugee sentiment, as much of this sentiment can be attributed to fear that refugees may destabilize a society through crime and other factors. Lastly, the researchers do not find any significant relationship between an increase in refugees and an increase or decrease in the vote share for anti-immigrant parties.

In a separate paper, Altındağ & Kaushal (2020) analyze how refugees impact voting behavior in Turkey. To preface, Turkey currently hosts more refugees than any country in the world. Due to their proximity to Syria, they have been forced to endure much of the refugee crisis stemming from the Syrian civil war. They chose to use the dispersion of Arabic speakers across Turkish provinces as an instrumental variable to identify the effect of refugees on voting behavior. The researchers provided interesting context that supports their motivation for the study. They explain that when large numbers of refugees gain residency in a country and are perceived to be a burden on its welfare system, natives will begin to oppose the ruling party that allowed for refugee resettlement. Additionally, natives may feel that refugees pose a threat to their political balance and therefore vote for parties that oppose immigrants. They also explain that these effects could be contained by increasing social interaction between natives and the refugee population.

Their results show that refugee flow had a moderate effect on Turkish voters' political party affiliation. Additionally, their results showed even less of an effect on actual voting outcomes. They believe that the reason for their findings is the fact that many Turkish citizens did not blame the ruling party for the influx of refugees. They also explain that the opposition parties at the time did not offer any restrictive refugee policies that would cause someone to change political parties.

Although we will not analyze the effects of an increase in refugees on the incumbent party in Germany, it is likely an important feature to analyze when seeking to fully understand changes in the political landscape due to the refugee crisis. This may provide motivation to further improve our analysis in the future and give reason to pursue this study further. However, since the opposition parties in Germany clearly offer restrictive refugee policies contrary to the incumbent party, their support by Germany citizens should provide enough of an indication to trends in anti-refugee sentiment.

Another paper, Bratti et al. (2020), analyzed how geographical proximity to refugee reception centers affected voting in Italy. They took a different approach than previous studies. Namely, they made their analysis with the assumption that refugee presence affects voting behavior in non-hosting municipalities based on their proximity to hosting municipalities.

The researchers used data from three different election results. They used non-hosting municipalities as their treated group, with different weights according to their geographical proximity. The researchers claim that geographical proximity is "as good as randomly assigned" for non-hosting municipalities to be used plausibly. They used a fixed effects model to estimate the effect that a municipality with at least one refugee center had on non-hosting municipalities. They leveraged the geographical variation within the non-hosting group and compared them to the same hosting municipality.

The study found that voters in areas closer to refugee facilities were more likely to vote for more right wing populist parties, with less support for the center-left. The researchers found an even greater effect from the geographic spillover on smaller and poorer municipalities. This is consistent with the idea that refugees pose more of a welfare threat to low skill and income workers.

### Data:

I will mainly be using two datasets in this study. The first dataset is a monthly social survey that is accumulated into an annual dataset provided by the Leibniz Institute for Social Sciences. We will focus on the years from 2013-2019 in this analysis. Considering the fact that the main political party of interest, the AfD, was only founded in 2013, 2013 is the earliest year that we can use to analyze. We performed our analysis up to 2019 due to the COVID-19 outbreak in 2020 that likely affected both voting and refugee allocation. In this survey, participants are asked a wide variety of questions concerning different social and political issues in Germany. The respondents also identify which state they reside in, allowing us to perform a statewide analysis.

Within the dataset, we focus on the survey's questions regarding sentiment towards specific political parties. We use this as an indicator towards voting patterns. The political parties mentioned in the survey are as follows: Christian Democratic Union (Center-Right) , Christian Social Union in Bavaria(Center-Right), Social Democratic Party of Germany(Center-Left), The Left(Left-wing), The Greens(Left-wing), Free Democratic Party(Center/Center-Right), Alternative for Germany(Right-Wing), and National Democratic Party of Germany(Right-Wing).

For simplicity, we re-coded the choice for political parties to be binary. A value of 1 is assigned to respondents who chose either the AfD or NPD parties. While the NPD party is much less popular than the AfD, it identifies as a Neo-Nazi political party and therefore can safely be deemed to represent an anti-refugee, far-right ideology. A value of 0 is assigned to all other choices. This allows us to simplify our analysis to reflect the preference for anti-refugee political parties versus refugee tolerant political parties. This new variable is labeled simply as the vote share for anti-refugee parties and will act as our dependent variable of interest.

We obtained refugee statistics through the German Federal Statistical Office (Destatis). Since our dependent variable of interest is measured as a proportion (vote share), we opted out of simply measuring raw refugee statistics. Instead, we decided to measure refugee statistics as a proportion relative to the population. For each state, we took the amount of refugees admitted each year and divided it by that state's total population, to reflect the share of refugees in each state. We will use the refugee share as well as another interpretation of the refugee share as our main dependent variables of interest in our analysis.

Included below are summary statistics. The first graph, adapted from "Center of Global Movement" by S.Keita & H.Dempster (2020), illustrates the breakdown of refugee numbers over time. The second graph shows the average vote share for far-right political groups throughout 2013-2019 by each state.



## Refugee Statistics in Germany



Adapted from "Center of Global Movement" by S.Keita & H.Dempster (2020).

## Theory:

Our main hypothesis in this study is that an increase in refugees, especially as a result from the refugee crisis in 2015, should result in an increase in preference for anti-refugee political parties in Germany, namely the AfD. This is consistent with the idea that an increase in immigrants "shocks" the labor market, driving wages and employment opportunities lower for low-skilled native workers. Anti-immigrant parties capitalize on this fear by posing immigrants and refugees as a threat to natives. We assume that natives will react to this effect by voting for political parties that represent an anti-immigrant ideology.

Another theory proposes the opposite effect. Contact theory states that contact between two groups can promote tolerance and acceptance. In contact theory, it is assumed that direct contact between native citizens and immigrants help both groups to learn more personally about each other's groups and cultures. As natives familiarize themselves with immigrants' lifestyles, they begin to realize that their own success and identity is not endangered by the presence of said immigrant group. If this were the case, we would see a negative relationship between refugees and voting for anti-refugee political parties.

## Empirical Strategy:

Our main hypothesis is that the influx of refugees beginning in 2015 should cause an increase in the vote share for anti-refugee political parties. Our analysis consists of multiple regression

models. As mentioned above, our main dependent variable of interest is the vote share for anti-refugee political parties.

For our first model, we use an OLS regression, regressing the vote share for anti-refugee political parties on the refugee share for each state and each year. Since we don't know exactly what affects the variance in political attitudes for respondents, we will use standard errors that are robust to heteroskedasticity for all our models. This will mitigate the downward bias in the variance for a non-robust standard error, which could lead us to reject a hypothesis test when we really shouldn't.

## $VoteShare_{it} = B_0 + B_1RefugeeShare_{it} + u_{it}$

Our second model also begins with an OLS regression. However, instead of using the refugee share as our independent variable of interest, we alter the interpretation to reflect how the change in refugees over time affects the vote share for anti-refugee parties. This allows us to accurately capture the effect of the refugees that arrived during the span of our analysis, from 2013-2019, on the vote share, rather than the sum of all refugees in Germany that extend to decades before the crisis. Therefore, in our second model, our independent variable is the change in the refugee share for each state and each year.

 $VoteShare_{it} = B_0 + B_1 \Delta RefugeeShare_{it} + u_{it}$ 

Without controlling for the many variables that may affect choices of refugee placement and other nation-wide factors that may influence political preferences, our estimates for the OLS models may not be very reliable. There is undoubtedly omitted variable bias that may mislead us when assessing the results for the OLS model.

Since our datasets come in the form of panel data, we can exploit this by using a fixed effects model to eliminate all time-invariant factors that may be contributing to the bias in our OLS model. We will use a combination of state fixed effects as well as time fixed effects. The state fixed effects allow us to account for the fact that some states have a historical tendency to vote towards one ideology or the other. The state fixed effects removes this effect from our main coefficient of interest. The year fixed effects are slightly more subtle. By including year fixed effects, we can control for unobservable factors that occur in each year of our analysis that affect the vote share for far-right parties for all of Germany. One could imagine a scenario where certain factors, independent of the refugee share, affected the average vote share for far-right political parties in all of Germany. For example, the CDU, the incumbent party at the time of the refugee crisis, is traditionally known to be a center-right political party. It could be that many of its right-leaning voters disapproved of the left-leaning refugee policy stance that the CDU assumed in the wake of the crisis. It could be that those voters were then naturally absorbed by the AfD, who catered to those voters' right-wing ideology. In this scenario, it would be logical to assume that the change in policy stance by the CDU affected the average vote share for far-right parties in Germany as a whole. The inclusion of year fixed effects therefore absorbs that effect and removes it from our main coefficient of interest, the refugee share.

 $VoteShare_{it} = B_0 + B_1 RefugeeShare_{it} + B_2 StateFE_i + B_3 YearFE_t + u_{it}$  $VoteShare_{it} = B_0 + B_1 \Delta RefugeeShare_{it} + B_2 StateFE_i + B_3 YearFE_t + u_{it}$ 

To further perfect our model, we are not only interested in the general refugee share's effect on voting patterns in Germany. Namely, we are concerned about the dramatic refugee crisis in 2015 and how refugees from that specific crisis may have affected voting patterns in Germany. To achieve this, we include an interaction term. Our interaction term for each respective model (change in refugee share and total refugee share) includes an indicator variable that takes the value of 0 for the years up to and including 2015 and a value of 1 for the years following 2015. The second variable in the interaction term is the total refugee share for the first model and the change in the refugee share for the second model. This allows us to differentiate between the effects that refugees from any time period/event have on voting patterns and the effects that the refugees stemming from the crisis in 2015 have on voting patterns.

 $VoteShare_{it} = B_0 + B_1 RefugeeShare_{it} + B_2 \{t > 2015\} + B_3 \{t > 2015\} \cdot RefugeeShare_{it} + B_4 StateFE_i + B_5 YearFE_t + u_{it}$  $VoteShare_{it} = B_0 + B_1 \Delta RefugeeShare_{it} + B_2 \{t > 2015\} + B_3 \{t > 2015\} \cdot \Delta RefugeeShare_{it} + B_4 StateFE_i + B_5 YearFE_t + u_{it}$ 

## Results:

We will first focus on the results where our independent variable capturing the refugee effect is the total refugee share. We will compare two tables. Table 1A shows the results for only the total refugee share coefficient. These regression results come from the first equation, without the inclusion of any control variables. Table 1B shows the results when adding the post 2015 indicator variable as well as the interaction term between the post 2015 variable and the refugee share variable.

Table 1A:

Dependent Variable - Vote Share for Far-Right parties (Standard Errors Robust to

Heteroskedasticity in Parentheses)

Observations:112

Refugee Share Coefficient	0155809 (.3207258)	1.434233** (.2529615)	7864742 (1.142748)
State Fixed Effects	No	Yes	Yes
Year Fixed Effects	No	No	Yes

Table 1B:

Dependent Variable - Vote Share for Far-Right parties (Standard Errors Robust to

Heteroskedasticity in Parentheses)

Observations:112

	OLS	State FE	State and Year FE
Constant	.0460023**	.020495**	.015346
	(.0050857)	(.0080725)	(.010291)
Refugee Share	511569	1.996815**	1.890477
	(.4308578)	(.6748868)	(1.092462)
{t>2015)	.0604881** (.015004)	.036732** (.0148662)	N/A
{t>2015}*Refugee	-1.769332**	-1.932698**	-1.905962**
Share	(.7612832)	( .8306263)	(.7378343)

From Table 1A, we only have one statistically significant result, when including only state fixed effects. When controlling for only state fixed effects, we see a positive relationship between the effect of the refugee share and voting for anti-refugee political parties. Specifically, our results imply that a one percentage point increase in the refugee share causes a 1.43 percentage point increase in the average vote share for anti-refugee political parties. However, once we control for year fixed effects, our results are not statistically significant. Important to note as well, that the post 2015 indicator variable is significant and positive. This at least confirms our observation that the average vote share for far-right political parties did in fact increase in the years following 2015.

To further understand our analysis, we move to Table 1B to see how our results differ with the inclusion of our interaction term. Again, when including only state fixed effects, we see a significant positive relationship between the refugee share and the vote share for anti-refugee political parties. However, the interaction term is significant as well but shows a negative relationship between the refugee share after 2015 and the vote share. This indicates that an increase in refugees in Germany has a positive effect on the average vote share for far-right parties. However, these results do not account for year fixed effects and therefore the result is definitely biased. So, we must move to the results with the inclusion of both state and year fixed effects. Although the coefficient for the refugee share variable by itself is not statistically significant, we do see a significant negative relationship for the interaction term. To interpret the effect of an increase in refugees on the vote share specifically during the refugee crisis in 2015, we must add the results from the refugee share coefficient as well as the interaction term.

However, after testing for significance, we get a p-value of .98, which tells us that the sum of the coefficients are not significant.

To provide further evidence in our results, we will also consider the model reflecting the change in the refugee share for each state in each year. Similar to the previous model, we have two tables to present. Table 2A again shows only the coefficient results for the change in the refugee share and Table 2B shows the results for each independent variable when including the interaction term.

Table 2A:

Dependent Variable - Vote Share for Far-Right parties (Standard Errors Robust to Heteroskedasticity in Parentheses)

Observations:112

Coefficient	-1.95373** (.6669026)	-1.036897** (.2164792)	-1.993347** ( .864311)
State Fixed Effects	No	Yes	Yes
Year Fixed Effects	No	No	Yes

Table 2B:

Dependent Variable - Vote Share for Far-Right parties (Standard Errors Robust to

Heteroskedasticity in Parentheses)

Observations:112

	OLS	State FE	State and Year FE
Constant	.042155**	.0368441**	.0330254**
	(.0038649)	( .0037237)	( .0034727)
Change in Refugee	33034	.9646276	-1.997928**
Share	(.6025837)	(.6065283)	(.8594538)
{t>2015}	.0207539** (.008879)	.0170929** (.0075568 )	N/A
{t>2015}*Change in	-6.378936	.0416059	.2895213
Refugee Share	(4.827432)	( 4.60281)	( 3.432683)

Table 2A tells a slightly different story than table 1A. First, all three results are statistically significant. When including only state fixed effects, we see starkly different results than the positive relationship found in table 1A. Here we see a negative relationship when regressing the vote share on the change in the refugee share. To further support that result, the inclusion of year fixed effects also shows a negative relationship. Specifically, a one percentage point increase in the change in refugee share causes a 1.99 percentage point decrease in the vote share for anti-refugee political parties during the time frame of our analysis.

Table 2B further supports a negative relationship between the change in the refugee share and the vote share when including state and year fixed effects as well. The interaction term shows to not have a significant relationship however. Although the interaction term is not significant, since

table 2B reflects the change in refugee share during 2013-2019, the change in refugee share variable by itself still accounts for refugees that came slightly before or during the refugee crisis of 2015. So, based on the change in refugee share coefficient result, we can interpret that a one percentage point increase in the change in the refugee share from 2013-2019 causes the average vote share for far-right parties to decrease by 1.99 percentage points. This result is nearly identical to the results we received when we didn't include a post 2015 indicator variable or the interaction term. We also tried testing the sum of coefficients with the change in refugee share and the interaction term, however, we get a p-value of .66, too large for significance.

From both of these results, we can conclude that the years following 2015 showed to have a significant positive effect on support for far right political parties. However, an increase in the refugee share does not seem to be responsible for this positive effect. On the contrary, we have several significant results that show that an increase in the refugee share actually reduces the average vote share for anti-refugee parties.

These findings contradict our original hypothesis and motivation for including the interaction term. Before including the interaction term, we believed that if the relationship between the total refugee share and vote share for anti-refugee political parties was negative, then that could result from the previous refugees that have been residing in Germany for decades, which could support the contact theory hypothesis mentioned above. However, we believed that such a dramatic event that affected the country on a national level such as the 2015 refugee crisis must have stoked fear and emotion in Germany in response to the increase in refugees. This type of situation often

results in the direct gain of popularity for far right political movements. But our results show that an increase in the refugee share after 2015 in fact reduced the vote share for far right parties or was insignificant at best.

It seems puzzling at first to consider that the time period that followed the dramatic refugee crisis event in 2015 did have a positive effect on the average vote share for far right parties, but not to the credit of an increase in refugees. What else could explain this result? One possible explanation is that since the AfD was only created in 2013, it was only natural that as the years progressed, so too did it's popularity. Conveniently enough, the refugee crisis followed shortly after the AfD's inception. So while the refugee crisis seems to be the reason why the AfD surged in popularity after 2015, other factors surrounding the national climate in Germany may have actually been behind the rise of the AfD. As mentioned with the explanation of the inclusion of year fixed effects, it could be that the perceived "leftist" stance of the CDU in response to the refugee crisis turned off many of its more right-leaning voters. This could provide some reason to why the AfD rose in popularity during this time period. So, it could be argued that the increase in the vote share for far right parties isn't necessarily due to exposure to more refugees, but rather the incumbent party's response to the refugee crisis in general.

#### Conclusion:

Although the surge in popularity for the AfD following the wake of the refugee crisis in 2015 seems to be directly related to the nation's response to the increasing refugee numbers, our

analysis tells a different story. Our findings suggest that when controlling for state and year fixed effects, an increase in the refugee share actually reduces the average vote share for far right political parties. These results support the idea of contact theory that is also found in Steinmayr (2021), where prolonged exposure to refugees also reduced the average vote share for far right parties. Our analysis does have many insignificant results, which could be directly related to the fact that our analysis takes a more macro approach by analyzing state wide data. Other research papers usually take a more granular approach and analyze county-wide data using different variables that represent how large of a refugee presence there is in a specific county. Our approach is much simpler, where we specifically focus on the increase in the number of refugees and trends in voting. It may be that we need to gather county-wide data and possibly implement the use of an instrument, to find more significant results.

Our results do suggest that the years following 2015 were positively correlated with an increase in the average vote share for far right parties, but it doesn't seem to be due to the increasing numbers of refugees. Rather, it could be due to various factors surrounding the political climate in Germany at the time. As the CDU is considered to be a center-right political party, Merkel's symbolic decision to absorb so many refugees could have turned many of its more right-leaning voters away to be taken by the AfD. So, the AfD's increasing popularity could maybe not be caused by the physical increase in the amount of refugees admitted into Germany, but rather the idea of the decision to absorb the refugees in the first place. In addition, during the time in which our analysis takes place, it can be argued that we have seen a rise in right-wing popularity in Europe in general. In the French Presidential elections of 2017, far-right presidential candidate Marine Le Pen of the National Rally party received 34% of the votes, the party's most ever. Lastly, in the Netherlands, the anti-Islam Party for Freedom became the second-largest party in the House of Representatives. All these examples show that Europe was on a right-wing trend in general, so the same effects that caused Europe to vote for right-wing parties could be the same reason we saw an increase in popularity for far-right parties in Germany following 2015.

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