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Aboa Centre for Economics

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ABSTRACT

Voter demand for less redistribution in the face of mass migration maps into actual outcomes insofar as politicians supplying these policies respond to it. We study whether establishing new asylum-seeker centers influences redistributive outcomes in Finnish local elections - a country where municipalities have a significant control over fiscal policies. The sudden and unprecedentedly large inflow of asylum-seekers in the fall 2015 and the resulting establishment of asylum centers allows for a difference-in-differences design. We examine simultaneously supply and demand for redistribution by focusing both on candidates' policy positions and also voters' preferences. On the supply side, we find that, on average, candidates do not respond to the presence of refugees by adopting anti-redistributive positions. Our estimates are precise enough to rule out even fairly small effects. In contrast, on the demand side, there is evidence of various voter responses against redistribution (and in favor of the anti-immigration party), on average suggesting that representative democracy filters the mapping of voter preferences on policy outcomes. But this political disequilibrium comes at the price of a *populist backlash* : we find decreased support for insider elite candidates. We probe the mechanism behind the backlash: in the localities more intensely exposed to refugee migration, we observe also a supply-side response (candidates oppose redistribution) while a demand response is less heterogeneous. In the municipalities where the gap between demand and supply is wider also the backlash is larger.

JEL Classification: C23, D72, H41, H71, H72, J15

Keywords: candidates, local elections, redistribution, backlash, political disequilibrium, refugee migration

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"[...] if Europe's migration policy is not redressed, the French welfare system will collapse."

— Nicolas Sarkozy (May 2014)

I INTRODUCTION

As Europe is experiencing increasingly large (regular and irregular) migratory flows, the policy debate often concentrates on the fiscal impacts of immigration, especially when it comes to refugees. From the onset of the recent refugee crisis, this issue has been extremely salient: there are numerous references in the mainstream press –especially the right-leaning– as well as by politicians emphasizing that refugees could use up public resources and welfare benefits (for a summary, see Berry et al. 2016). On the political arena, this discourse has been linked to a significant backlash against mainstream parties and the rise of populism (for a summary, see Alesina and Tabellini 2020; Guriev and Papaioannou 2020; Guriev 2018; Algan et al. 2017), manifested by the electoral success of Brexit and Trump –to name but a few. On the scholarly field, there is also evidence on some negative fiscal impact of humanitarian immigration in a generous welfare state (Ruist 2015, 2018) as well as on the possibility that welfare generosity might attract more immigrants (Agersnap et al. 2020).[1] All these point out to the possibility that increasing immigration may reduce the support for generous redistribution both among voters and politicians. However, the evidence on the impact of immigration on the demand for and –especially– supply of redistributive politics is scarce. The rather robust result that immigration tends to increase the support for far-right (see e.g. Dinas et al. 2019) could be consistent both with non-economic reasons and welfare chauvinism. For instance, Alesina et al. (2018, 2019) find that immigration decreases the voter support for redistribution.[2]

[1] In addition to a more generous welfare state, some of those countries (e.g. Sweden, Germany) are also more likely to see the overall welfare gains of immigration (for the natives) being reversed due to a higher productivity gap between native and migrant workers *within same-skill groups* (Battisti et al. 2017).

[2] In a Finnish representative survey in 2016, 37% of the respondents disagreed with the statement that humanitarian immigrants should be entitled to the same level of social benefits than the rest of

But is this shift in voters' support for redistribution consequential for welfare? Or, put differently, in representative democracies, voters' preferences do not directly translate into policy outcomes: they need to be taken up by the suppliers of policies (the politicians). Our main question, thus, is whether refugee migration has any effect on redistributive policies. This, in turn, is a two-part question: on the one hand, we still care about voters' preferences towards redistribution and how those translate into support for different political parties and policies. Do voters respond to refugee migration by demanding less redistribution? On the other hand, even if voters change their views about redistribution due to immigration shocks, would politicians be willing to implement such changes; and what happens if they are not? In other words, does the supply of redistribution policies respond to (possible) changes in the demand? After all, the impact of the voter preferences on the actual policies depends on and is filtered by many factors, such as the nature of political competition (see e.g. Besley et al. 2010), electoral institutions (see e.g. Matakos et al. 2016, 2019), and the ability of politicians to commit to their electoral promises (Osborne and Slivinski 1996; Besley and Coate 1997).

Moreover, the second part of our question –*what happens if supply and demand do not meet*– has important implications for political representation and might explain the recent rise of populist parties and politicians. In a sense, what we ask is the following: to what extent can the recent populist backlash to migration be accounted for by such representation gaps? The answer to this question matters because it is consequential for the character of democratic representation, the quality of politicians and the selection process.

In this paper, we tackle these questions by studying the impact that refugee immigration has on the redistribution positions taken by the local politicians in Finland as well as voters' preferences towards redistribution. In doing so, ours is the first comprehensive study that explores *simultaneously the demand and supply side* of redistributive policies

the population. In the 2018 survey round, 44% of the respondents agreed with the statement that humanitarian immigrants receive more social benefits than natives while 50% agreed with the statement that immigrants seek to exploit the Finnish social welfare system.

in the presence of mass migration flows. The focus on the supply side of redistributive policies in the context of mass migration flows is a feature that is unique to our study.[3] Moreover, it enables us to explore what happens when a *political disequilibrium* appears: what are the economic and electoral consequences?

Finland is an excellent case to study the question for three reasons. First, we study hasty establishment of asylum centers in Finland in the fall 2015 when Finland was one of the largest asylum-seeker receiving EU countries in per capita terms, to which the authorities were unprepared for. Therefore, the central government did not require the permission of the local government to set up and fund privately run asylum centers. This alleviates concerns for self-selection and provides a good setting for implementing a difference-in-differences research design.[4]

Second, a comprehensive data on policy positions of individual local politicians is available for Finland. We ask if setting up an asylum center in a municipality in 2015 influences politicians' redistribution positions by using data from a large-scale, comprehensive candidate (elite) survey, fielded prior to the municipal elections in 2008, 2012, and 2017. Such elite surveys (known as voting advice applications) are a way of informing voters about individual candidates' policy positions during the pre-electoral period. They are provided by the Finnish non-partisan media and are free of charge. While they are voluntary, their popularity among the voters and the free publicity that they provide incentivizes politicians to take part, especially as open-list systems, such as in Finland, put the focus on candidates rather than parties.

Third, our interest in Finland is also motivated by the fact that Hyytinen et al. (2018) and Meriläinen (2020) show that, in the Finnish local politics, the characteristics of even one barely elected local politician suffice to change the local economic policies substantially, and intra-party dynamics (what kind of candidates are elected from within a party) play a key role in this. Furthermore, Fiva et al. (2018) document a direct, intuitive

[3]In the historical –and quite different– context of the mass migration from the US South, Calderón et al. (2019) examine how it resulted in a change in demand and supply for racial liberalism.

[4]However, the central government did not set them up at random locations as we detail in the next section.

link from the positions taken by politicians to policy outcomes in an institutionally similar context, Norway. Therefore, it is possible or even likely that, in this context, a change in the policy positions of the candidates would also lead to different redistributive local policies. Given that Finnish municipalities are responsible for a large share of public spending, including heavily redistributive social and health care services, and service user fee collection and set the local income tax rates independently, the resulting policy effects may be substantial.

We conduct several analyses. First, we focus on the demand-side effects (voter responses to asylum centers) and analyze various outcomes, such as voter preferences for redistribution, turnout, and vote shares of the parties (and the candidates) who support or oppose redistribution particularly strongly. Using a large and representative panel survey of voters implemented by the Finnish Business and Policy Forum EVA, we find that voter preferences become less favorable to redistribution on average. However, the total vote share of the most anti-redistribution candidates seems unaffected whereas the total vote share of the most pro-redistribution candidates decreases. The vote share of the anti-immigration party, the True Finns and the turnout increase in the municipal elections. Hence, we have evidence of various demand responses on average, which are consistent with existing findings on the European (Alesina et al. 2019) and the U.S. context (Alesina et al. 2018).

We then turn our attention to the analysis of the supply side (candidates), which is arguably more interesting because politicians' policy positions are directly linked with outcomes (Meriläinen 2020). We estimate the effects of asylum centers on candidates' redistribution positions either by using the full sample of respondents or by focusing on a panel data containing only the candidates who ran and responded both in 2012 and in 2017. The latter allows us to control for the candidate fixed effects. Second, we study whether the possible effects are heterogeneous in party affiliations and, thus, the pre-treatment policy position levels.

On average, we do not find an effect on the redistribution or immigration positions of

the candidates, either in the full sample or the candidate panel. Given the nature of the recent refugee crisis, the publicity it has attracted, and the voters' response that we document, this finding is surprising in itself. First, in the context of an electoral democracy, one might anticipate that (at least some) candidates' policy positions vis-à-vis redistribution would have changed, especially since there is evidence –in the Finnish as well as in the European context– that voters' preferences tend to respond to such shocks (see e.g. Alesina et al. 2018, 2019). Second, even if immigration had *no effect* on redistributive preferences and, as a result, there was no need for election-seeking candidates to respond to such changes, we know that, in the context of a multi-dimensional choice framework, there are important policy spillovers from non-economic (e.g. identity) dimensions to the economic ones, such as redistribution (see e.g. Lindbeck and Weibull 1987; Roemer 1998; Krasa and Polborn 2010, 2012, 2014; Matakos and Xefteris 2016).

The (unexpected) supply-side non-response leads us to then examine the consequences and the mechanisms behind this political disequilibrium. We thus investigate whether: a) the mismatch between voter and candidate positions resulted in increased support for outsider/populist candidates and b) the intensity of this backlash against mainstream candidates varies with the size of the gap between voter and candidate preferences.

We find evidence, on average, of an increase in the support for such outsider candidates as a result of this disequilibrium. Going further to understand the mechanisms, we investigate whether the demand, supply and backlash effects depend on the intensity of the treatment by analysing small and larger municipalities separately: small municipalities were treated more intensely.[5] We do observe an increased opposition of candidates to redistribution in a small number of the smallest and, hence, most intensely treated municipalities. This result is consistent with the recent findings on how intensity of exposure to the refugee flows matters (see e.g. Dinas et al. 2019). On the other hand, the demand response is less heterogeneous. Moreover, in those more intensely treated municipalities where candidates update their policy positions in response to refugee migration,

[5]The size of asylum centers does not vary by the municipality size and, as a result, small municipalities receive more asylum-seekers in per capita terms.

the populist backlash is significantly dampened.

Given that candidates respond only in the most intensely treated municipalities, whereas voters demand less redistribution in the whole sample, our results overall suggest that, in the context of a *representative democracy*, politics mitigate to some extent the way that voter preferences are translated into policies. But this comes at a cost; we find that when politicians fail to respond to voter demand, support for outsider candidates increases. In other words, we do find evidence of a *populist backlash* against mainstream candidates and parties when they override voter preferences. This is our third main finding. We also find that the size of this backlash varies positively with the size of the representation gap: it is larger in those municipalities where candidates' response (to voters demanding less redistribution) was more moot.

This is where our important contribution lies. The focus on candidates' policy positions and the supply side of redistributive politics is, of course, a necessary condition for a policy impact.[6] But more than that, bringing supply and demand for redistribution together –a unique feature of our work– also allows us to offer a fresh look at the rapidly expanding literature on migration-related backlash and cultural or economic drivers behind it (Alesina and Tabellini 2020).[7] In fact, our approach to backlash –the result of a political disequilibrium– cuts through the dichotomy of cultural versus economic considerations. It also points to the fact that a backlash can be a natural consequence of policy (supply) non-responsiveness; in other words, it might be the 'cry of the unheard' that does not map into changes in policies. That is, instead of resulting from changes in the supply of policies (e.g. Calderón et al. 2019), a backlash can also be a signal of policy non-responsiveness. The latter has also normative implications for the ability of a representative democracy to translate citizens' preferences into outcomes. Is a backlash

[6]Direct evidence on policy impacts is scarce and mixed. Jofre-Monseny et al. (2016) find that, in Spain, inflows of labor immigrants decreased per capita social spending. In contrast, Green and Riddell (2019) find no effect on benefit generosity in Canada. In the Finnish context, in an ongoing work Lahdelma (2020) uses the same candidate data to analyze attitudes towards immigration. This is the only other study concerned with supply-side responses to refugees, but, unlike us, it does not study simultaneously voter preferences nor redistribution concerns.

[7]For a recent survey summarizing research on forced migration, see Becker and Ferrara (2019).

a cost worth paying?

We also contribute to several other strands of literature. First, we contribute to understanding how preferences for redistribution form and evolve (e.g. Neundorf and Soroka 2018). Understanding the formation of candidates' preferences is particularly important as the literature on political selection (Dal Bó and Finan 2018) has shown that individual politicians crucially matter for policy outcomes, yet we do not know much on how candidates' preferences respond to key issues, such as migration.

Second and more specifically, there is a large literature that considers the impact of immigration on the demand for redistribution, starting with the seminal paper by Alesina et al. (2001) which documents an association between ethnic fractionalization and a lower demand for public goods.[8] The related causal evidence includes Alesina et al. (2018) who find that priming the survey respondents to think about immigrants decreases the support for redistribution and the charity donation willingness. The effect is heterogeneous so that it is driven by left-wing respondents, the respondents without a college degree and those working in a high-immigration sector. Zurlinden et al. (2020) utilize refugee allocation to identify a weakening impact of immigration on the support for redistribution in Swiss referenda. Also Dahlberg et al. (2012) use refugee placement as the instrument and document that increased immigration decreases the support for redistribution in Sweden.[9] Alesina et al. (2019) show that natives are less likely to support redistribution in the European regions with more immigrants, and Finland is one of the countries included in their data set.[10]

Third, this paper is also related to the rapidly increasing literature on the impact of immigration on the vote share of extremist parties. A common result from several European countries, including Germany, Italy, Denmark, Austria, France, and Greece,

[8] Cf. Freier et al. (2016) who find that increasing religious heterogeneity in terms of Christian denominations decreases the public spending. See Elsner and Concannon (2020) for a survey on immigration and demand for redistribution and Costa-Font and Cowell (2015) for a survey on the social identity and redistribution preferences.

[9] For a further discussion see Nekby and Pettersson-Lidbom (2017) and Dahlberg et al. (2017).

[10] Stichnoth (2012) documents that German natives are slightly less likely to think that the state should assist the unemployed if they live in an area with more unemployed foreigners.

is that immigration increases the popularity of the far-right and, to a lesser degree, conservative parties (Otto and Steinhardt (2014); Barone et al. (2016); Dustmann et al. (2019); Halla et al. (2017); Harmon (2018); Edo et al. (2019); Dinas et al. (2019); Sørensen (2016); for the exceptions see Steinmayr (2020); Gehrsitz and Ungerer (2017); Vertier and Viskanic (2018), which may indicate changes in redistribution preferences as well.[11]

Finally, this paper also contributes to the large literature on the immigration attitudes of the natives[12], especially to a more recent strand that focuses on attitudes towards refugees. Bansak et al. (2016) finds that, in addition to non-economic factors, concerns about refugees being fiscal burdens may influence the attitudes towards them. In contrast, Lergetporer et al. (2017) find that refugees' education level does not influence general attitudes towards them among German university students. Hangartner et al. (2019) document that the attitudes of the residents in those Greek islands through which the refugees passed on their way to the continental Europe became more negative both towards refugees and non-refugee immigrants.[13] Here, our novel contribution is to compare whether the effects of refugee immigration on attitudes differ between voters and local politicians.

II INSTITUTIONAL BACKGROUND

An asylum center hosts asylum-seekers while their asylum application is being processed. In addition, they often contain some asylum-seekers who already have secured a positive asylum decision but have not yet managed to find regular accommodation. Finally, they also contain asylum-seekers who have appealed against their negative asylum decision and are waiting for the administrative court to consider their case.

The average capacity of asylum centers in Finland is about 180 people. Typical

[11] Nevertheless, Vertier and Viskanic (2018) finds, like us, that intensity of exposure matters: support for far-right parties increased in the municipalities that were more intensely exposed to refugee flows.

[12] On immigration attitudes in general, see for example Hainmueller and Hopkins (2014).

[13] Entorf and Lange (2019) document that, in Germany, refugee inflows increase anti-foreigner hate crimes in the regions with few pre-existing immigrants and in the economically deprived regions.

facilities used as asylum centers consist of former hotels, hostels, nursing homes, schools, and hospitals. The costs of the asylum centers are all borne by the Finnish government. The municipality where the center is located has to provide education for asylum-seeker children aged 15 years or less but the government will compensate the municipality for the incurred expenses[14] (Finnish Ministry of Finance 2017).

In 2015, there was a substantial inflow of asylum-seekers in Finland at the same time as in Germany, Sweden and some other European countries and, in Finland, it totalled 32,476 applicants[15], most of whom arrived during the fall. In contrast, there had been 3,651 applicants in total in 2014. There had been 28 asylum centers in the beginning of 2015 while they would amount to 227 by the beginning of 2016 with most established in the fall (Finnish Ministry of Finance 2017).

The large inflow took the Finnish authorities by surprise. First, the Migration Office reacted by increasing the capacity in the existing asylum centers and by establishing some new ones. In the beginning of September 2015, the Migration Office announced that they will no longer ask for the approval of the municipality if the asylum center is to be run by a private organisation, thus overriding possible objections by the municipality. The situation was really acute at this point: with one thousand asylum applicants per week, the anticipated need was 4-5 new asylum centers every week.

At this point, the Migration Office prioritised the municipalities located close to the existing asylum centers because, in addition to the space constraints, it also had to deal with the personnel constraints caused by this sudden inflow. Setting up a new asylum center was easier if the personnel in a nearby asylum center could assist in the beginning.

As the asylum-seeker inflow kept growing, the Migration Office had to find ever more innovative solutions while frantically looking for new asylum center facilities. For ex-

[14]In addition to the accommodation while waiting for the asylum decision, an asylum applicant is entitled to emergency healthcare, interpretation services, legal counselling, and some pocket money. On average, the accommodation cost was 45-61 euros per night per applicant in 2012-2016 (Finnish Ministry of Finance 2017).

[15]Most of the asylum applicants in 2015 and in the first half of 2016 were Iraqis (21,000) while the remaining applicants were mainly Afghans (˜5,700), Somalis (˜2,200) or Syrian (˜1,100) (Hangartner and Sarvimäki 2017). It has been suggested that the large share of Iraqis was due to the fact that Finland does not have a repatriation agreement with Iraq, unlike most other EU countries.

ample, in mid-November 2015, an asylum center consisting of containers was opened in Eurajoki and the Migration Office was also preparing for the use of heated tents.

After 2015, the inflow of the asylum-seekers diminished again to the earlier levels as the countries along the Balkan route tightened their border controls. Asylum centers started to be gradually closed again in 2016-2017 as the backlog of the asylum applications was decreasing.

This paper focuses on the asylum centers established in 2015, which were typically set up in the municipalities with a larger population (Table A.1) due to a better availability of sufficiently large facilities, a closer location to the asylum authorities and the existing asylum centers (for their locations, see Figure A.1). Larger municipalities have larger shares of women, of university graduates and of immigrants[16]. They also have smaller vote shares for economic right-wing parties since the agrarian Centre Party is a very important economic right-wing party, yet less popular in the cities.

II.A Humanitarian Immigration and Redistribution

The fiscal impact of immigration is very heterogeneous as it depends on the age upon the arrival and the labor market integration of the immigrants as well as that of their children. Humanitarian immigrants can struggle with labor market integration due to their low average level of educational achievement. This is especially pronounced in the countries with a high wage level and a high average level of educational achievement, such as Finland. Furthermore, labor market authorities have also struggled to come up with efficient integration measures for the immigrants with a low level of education.

Ruist (2015) provides an example of a fiscal impact of humanitarian immigration in Sweden that has a similar extensive welfare state as Finland. According to his static calculation, the total redistribution towards humanitarian immigrants was 1% of the Swedish GDP in 2007, mostly due to lower employment rates.[17] On average, humanitarian

[16] Asylum-seekers are not included in this figure.

[17] The dynamic calculations for Sweden in Ruist (2018) show a negative impact for the first ten years, followed by a zero impact for 30 years up until the point when refugees become retired and the fiscal

immigrants receive substantially more social welfare compared to native adult Finns who received about 2,000 euros in 2018. The amount received by humanitarian immigrants decreases during the time spent in the country, from 13,000 euros during the first three years to less than 8,000 euros after twenty years, which is mainly due to a substantial decrease in the unemployment benefits. (Jauhiainen and Raivonen 2020).

II.B Municipalities

Finnish municipalities are tasked with providing many local services, including social welfare. They are autonomous and employ about 20% of the total Finnish workforce and their spending amounts to 18% as a share of GDP. The municipal income tax is the largest single source of their revenues and is about 41% of the revenue[18], while the property tax provides 2.5% of the revenues. User charges account for about 25% of the revenues. (Moisio et al. 2010)

Finland has an open-list PR system with no less than eight parties in the national parliament. However, not all these parties are equally active in all the municipalities. At the municipal level, the most important party is the conservative and agrarian Centre Party. Other Finnish main parties consist of the Social Democrat Party, the conservative National Coalition, the liberal Swedish Peoples Party, the populist True Finns, the Greens, the Left Alliance, and the conservative Christian Democrats.[19] While the True Finns is not a pure anti-immigration party, they are nevertheless the main channel for anti-immigration votes.

The municipal council is the main seat of power in the Finnish municipalities and have the final say in municipal decision making. Council makes decisions based on a simple majority vote. The council also appoints a mayor who is a civil servant and the municipal board that has an important preparatory role in the decision making. In contrast to

impact becomes negative again.

[18]The municipal tax is flat while the nationally set tax allowance introduces a progression to it.

[19]The True Finns changed their English name to The Finns in 2011, but we use the True Finn here as that is still somewhat better known internationally.

the national parliament, the municipal councils do not have a fixed government and the opposition but rather bargain, vote and form coalitions issue-by-issue. Furthermore, local party discipline is typically weaker than in the national parliament. These institutional details imply that individual councillors are relevant for policy-making.

III DATA

III.A Candidate Surveys

Voting advice applications are interactive questionnaires provided online by the non-partisan main media in the run-up to the elections. Their purpose is to assist voters in finding a candidate with matching policy positions. Open lists require voters always to choose an individual candidate, which is why Finnish voting advice applications focus specifically on the individual candidates' positions. Using them is free of charge for both candidates and voters.

The widespread Internet usage makes the country a fertile ground for voting advice applications. For example, the 2012 voting advice application of the Finnish public broadcasting company, Yle, was visited about 700,000 times (Naalisvaara 2013) while the Finnish population is about five millions.

Filling in a voting advice application questionnaire is not obligatory for the candidates. The candidates using them are more likely to be female and younger. They might well be more skilled and more ambitious as their total vote shares and winning probabilities are higher. Incumbent councillors are slightly over-represented (Table A.2). The municipal-level median response rate was 47.8% in 2008 and 47.2% in 2012.

The voting advice applications are open only to the candidates during a certain pre-electoral period. During this period, candidates may reply to closed-ended questions focusing on current policy issues and their replies are saved in a data base. While the response period is pending, candidates have access only to their own replies, which can be modified during this time but not afterwards (Naalisvaara 2013).

Once the candidates' response period is over, the voting aid applications become publicly available. Voters can fill in the same questionnaire online and compare their replies to those of the candidates. Most voters focus on their best matches provided by the voting advice application algorithms and, at most, study the replies of these best matches in more detail (Suojanen 2007). In essence, these recommendation algorithms match voters to those candidates whose positions are closest to theirs under some assumptions defining closeness.

Because the algorithms are trade secrets, they are not trivial to game. In fact, even the service providers have noted that the algorithms occasionally come up with strange final recommendations (Kauppinen 2007). The strategic behavior by the candidates is further complicated by the fact that voter responses are not available, even afterwards. In addition, the responses of the candidates are fixed once the response period has ended so that candidates cannot react at other candidates' responses. On the other hand, there is anecdotal evidence that, at least in the parliamentary elections, the candidates choose more moderate positions than voters (Kerkkänen 2017). However, it is hard to say whether that is due to strategic behavior or political selection, and to which degree such behavior generalises to the municipal elections, in which most candidates are not professional career-politicians.

The voting advice application data for 2008 and for 2012 comes from the Finnish public broadcaster, Yle, while that for 2017 comes from the most important Finnish newspaper, Helsingin Sanomat[20]. Prior to 2017, we use the Yle data because Helsingin Sanomat did not cover the whole country back then but focused only on the region around the capital, Helsinki. In 2017, Yle did organise a voting advice application. However, its questions focused on the forthcoming health care reform and on how the related services should be allocated between different administrative levels and, thus, is not informative for our purposes. In contrast, many questions in the 2017 voting advice application by Helsingin Sanomat addressed redistribution or immigration topics.

[20]The voting advice application data prior to 2008 is not available.

The most important difference between the two voting advice applications is that the number of the respondent is twice as large prior to 2017 (in Yle). This is probably due to the fact that, in the previous municipal elections, Helsingin Sanomat had focused only on the municipalities within and close to the Greater Helsinki. In contrast, Yle has been covering all the municipalities in several municipal elections, hence, it was better-known among the candidates. In addition, the respondents in 2017 are slightly younger, likelier to be female and less likely to be incumbent councillors. There is no difference in terms of the vote share, the electoral success, the redistribution attitudes, nor the likelihood of being a True Finn (Table A.3).

When forming the panel data of candidates' policy positions, we merge the survey years by the candidates' municipality of residence, name and age. As a result, the panel data consists only of those candidates who did not move across the municipalities.

III.B Redistribution Index

There is a large number of voting advice application questions and several focus on redistribution, though none is identical across the elections. In order to alleviate multiple-testing problem, we pick the redistribution-related questions and, using them, construct a summary index using a procedure described in Kling et al. (2007) for each year.[21] Both the 2008 and 2012 indices consist of seven questions while the index for 2017 consists of ten questions. The complete list of the voting advice application questions is in Appendix including a note if a question contributes to the index.

The index describes how much a candidate supports income redistribution (for the distribution of the index see Figure A.2). The most important predictor of weaker support is a membership in a right-wing party (Table A.4).[22]

In order to construct the index, we first switch the scales where needed, so that a higher value of any variable grouped with the index indicates a stronger support for

[21] Alesina et al. (2018) use the same method to construct their redistribution support index.

[22] Right-wing candidates belong to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, or the Christian Democrats.

redistribution. Next, we demean the policy positions with the control group mean and divide them by the control group standard deviation, resulting in z-scores. Our treatment group consists of municipalities where a new asylum center was established in 2015. The control group consists of all the other municipalities. The index consists of an equally weighted average of these z-scores.

The overall means could result in noisy estimations because of across-party heterogeneity, given that parties have predictably different positions on redistribution. This is why we also construct a party-specific redistribution index in which policy positions are related to the party-specific control group positions. For example, policy positions of Social Democrat candidates in treated municipalities are compared to Social Democrat positions in control municipalities. We do this robustness exercise only for the eight parties that are large enough to have meaningful sample sizes, excluding micro-parties and electoral associations.

III.C Other Data

The electoral data for the municipal elections in 2008, 2012 and 2017 is provided by the Ministry of Justice. It contains the votes received by individual candidates by each party or electoral association in each municipality, some basic socio-economic information on the candidates as well as the number of eligible voters and the total votes cast for each party in each municipality.

There were 19 municipal mergers between 2012 and 2017. We take them into account by merging the municipal structure of the years prior to 2017 into the municipal structure effective in 2017, as if the municipalities would have merged together already earlier than they in reality did.

The asylum center data comes from the Finnish Migration Office. It contains municipalities, organisations in charge (the operator, for example, Finnish Red Cross or a given municipality), capacities, and opening and, if applicable, closing dates of asylum centers. There is no information on the utilisation rates but it is safe to assume that

the amount of refugees is quite strongly correlated with the capacity. This is because the Migration Office has an incentive to close down asylum centers that are not needed, given that the average accommodation cost was 45-61 euros per night per applicant in 2012-2016 (Finnish Ministry of Finance 2017).

The electoral data on turnout, parties' vote shares, and various municipal-level demographic (population, age structure, and immigration, educational achievement) and economic variables (central government grants, expenditures, house prices, and unemployment rates) come from Statistics Finland. Asylum-seekers are not included in these data. They are only included once they have received the positive asylum decision and the residence permit. The data on municipal tax rates come from the Association of Finnish Municipalities.

Finally, in order to measure voters' preferences, we utilise the EVA Survey on Finnish Values and Attitudes collected by a Finnish think tank, EVA, in 2013-2018 at the beginning of each year. These data are representative repeated cross-sections and we use two questions that were asked both before and after the treatment period, the fall 2015: "Even though it's costly to maintain generous social welfare and public services, the Finnish welfare state is worth it." (asked in 2013, 2014, 2015, 2016, and 2018) and "If the taxes were cut, I'd be willing to give up some public services." (asked in 2015 and 2017).[23]

We use voting advice application to study politicians and EVA survey data to study voters. Both have the same structure, namely, that there are various statements and respondents can choose one of the following options: "Strongly agree", "Somewhat agree", "Don't know", "Somewhat disagree", and "Strongly disagree".[24]

[23]For the descriptive statistics on the socio-economic background variables and the redistribution-related questions see Table A.5.

[24]For both, the scale is "Strongly agree" = 4; "Somewhat agree" = 3; "Don't know" = 2; "Somewhat disagree" = 1; "Strongly disagree" = 0.

IV EMPIRICAL ANALYSIS

IV.A Econometric Specifications

We are interested in the effect of establishing an asylum center on various outcomes. The key of outcome is the policy position of the candidates with respect to redistribution and, thus, our main analysis is a standard differences-in-differences (DID) specification (1):

$$\begin{aligned} \text{policy position}_{imt} = \alpha + \delta ASYLUM_m * AFTER_t \\ + \beta ASYLUM_m + \gamma AFTER_t + \varepsilon_{imt}. \end{aligned} \tag{1}$$

Here i refers to a candidate, m stands for a municipality, and t refers to an election year. $ASYLUM_m$ equals one for the municipalities where an asylum center was set up in 2015 while $AFTER_t$ is the dummy for years after 2015. The effect of interest is δ.

We also explore voter opinions using the EVA survey data with a difference-in-differences specification identical to (1) except that the outcomes are at the individual citizen respondent level rather than at the individual candidate level.

In the candidate analysis, we focus also on the panel of 4,661 candidates who used the voting advice application in both election years 2012 and 2017, and estimate the equation (2) for this subset. For this sample, we can control for the candidate effects α_i.[25]

$$\begin{aligned} \text{policy position}_{imt} = \alpha_i + \delta ASYLUM_m * AFTER_t \\ + \beta ASYLUM_m + \gamma AFTER_t + \varepsilon_{imt} \end{aligned} \tag{2}$$

In addition to these individual respondent -level estimations, we consider various aggregated outcomes y_{mt} at the municipal level, estimating:

[25]The candidate fixed effect is effectively also a municipality fixed effect since the panel data only consists of the candidates who remained in the same municipality. Therefore, $ASYLUM_m$ is a redundant variable.

$$y_{mt} = \alpha + \delta ASYLUM_m * AFTER_t + \beta ASYLUM_m + \gamma AFTER_t + \varepsilon_{mt} \quad (3)$$

We also conduct an intensity-of-treatment style analysis by splitting the sample based on the population size of the municipalities. As municipal populations varies much more than asylum center capacity, this simple division effectively captures the share of refugees in population.

IV.B Identification: Design Validity

Our strategy for identifying the causal effects of asylum center establishment on redistributive outcomes relies on a DID research design. Thus, to assess its validity, we test for the common pre-treatment trends as the standard indirect test of the common trend assumption crucial for DID identification. To achieve this, we conduct an estimation in the spirit of a dynamic DID (event study):

$$\begin{aligned} \mathrm{y}_{imt} = \alpha + \beta_1 ASYLUM_m + \sum_{t \neq \underline{t}} \beta_{2t} 1[Year = t] \\ + \sum_{t \neq \underline{t}} \delta_t 1[Year = t] \times ASYLUM_m + \varepsilon_{imt}. \end{aligned} \quad (4)$$

In equation (4), the reference year is denoted as $\underline{t}$ as it is always the first observed year for any of our outcomes. We report the dynamic DID results for our main outcomes in the subsequent sections. However, to address the issue that the policy position data is available for a fairly short period and to argue for the validity of design before turning to the main results, we discuss longer pre-treatment parallel trends for various municipal level outcomes here.

Right- and left-wing vote shares and turnout as outcomes are reported in Figure A.3.[26] An additional concern could be that asylum centers are more likely to be set up in the

[26]See Figures A.4-A.6 for the party-level pre-trends.

municipalities with plenty of empty spaces due to closing businesses. This could also imply a higher unemployment rate (or differences in other labor market conditions), which could affect the support for redistribution (Alesina et al. 2018), counteracting the impact of immigration. Hence, Figure A.7 shows the municipal unemployment pre-trends around the treatment. Furthermore, Figures A.7-A.13 show the pre-trends for annual unemployment rates, municipal net profits characterising fiscal state of municipalities, municipal tax rates, municipal grants from the central governments, municipal expenditure, flat prices, number of flat sales, shares of immigrants, municipality sizes, shares of women and of university graduates in the municipal population, across- and within-municipality migration, as well as shares of minors, of retired and of elderly in the municipal population.

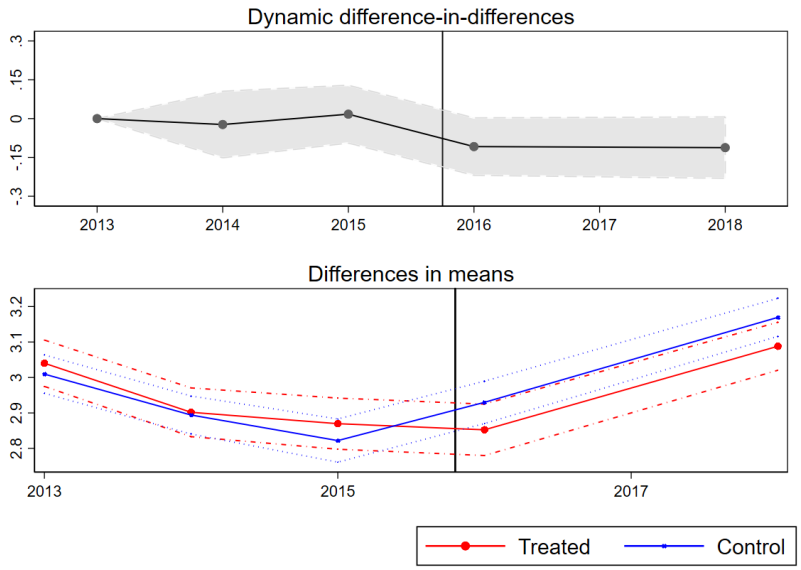
IV.C Demand-Side Results

We first turn our attention on the demand side. That is, we explore whether citizens' redistributive preferences responded to the 2015 mass influx of refugees. Here our analysis is similar to other studies that examine preferences for redistribution in Europe in the face of the recent refugee crisis. Hence, our results can be easily compared against that benchmark. We utilize data from a large, representative, repeated cross-sections survey in order to explore voters' views on redistribution. In addition, we also analyze various electoral variables (e.g. turnout, vote shares by party or by candidate type) as demand-side outcomes. This is because we want also to check if reported attitudes towards redistribution and the welfare state map into actual (electoral) outcomes.

First, our results with the survey data provide suggestive evidence that voters become more redistribution-averse. Our DID results based on the equation (1) show that voter support for maintaining the welfare state decreases considerably in response to asylum center establishment; the effect is statistically significant at 5% level and the effect size is about 10% of the standard deviation. The other question gets a positive but insignificant

coefficient (Table 1). This question was asked in fewer rounds and, hence, the number of observations is smaller, so we would expect the coefficient to be less precise. However, its positive sign provides suggestive evidence that the support for welfare maintenance decreases among the voters. Furthermore, the dynamic DID analysis as in the equation (4) indicates common pre-trends for the support for the welfare state outcome (Figure 1). For the other outcome, the time series is too short for a meaningful pre-trend analysis.

Figure 1
Pre-trend of redistribution-related voter survey question.



Notes: The survey question is "Even though it's costly to maintain generous social welfare and public services, the Finnish welfare state is worth it." The scale for survey questions is "Strongly agree" = 4; "Somewhat agree" = 3; "Don't know" = 2; "Somewhat disagree" = 1; "Strongly disagree" = 0. 95% confidence intervals clustered at the municipal level are reported. Vertical line corresponds to the treatment timing (September 2015).

As an additional demand side (voter-induced) outcome, we also analyze whether candidates' redistribution attitudes predict the impact of asylum center on their vote shares. We measure the outcome by summing up the total votes gained by the most pro-redistribution candidates by municipality and by dividing them by the total votes of all the candidates who responded to the voting advice application by municipality, and similarly for the most anti-redistribution candidates. We define the most pro-redistribution

Table 1
Exposure to asylum-seeker centers and voters' preferences for redistribution

Dep. var.	Welfare state	Cut services	Welfare state	Cut services
	(1)	(2)	(3)	(4)
Asylum center	-0.110**	0.032	-0.107**	0.023
	(0.042)	(0.089)	(0.044)	(0.084)
Mean of dep.var.	2.958	2.055	2.958	2.055
95% CI LB/std.dev.	-0.190	-0.120	-0.191	-0.120
95% CI UB/std.dev.	-0.026	0.174	-0.021	0.158
R-squared	0.003	0.004	0.004	0.008
Observations	10,174	4,096	10,174	4,096
Controls			X	X

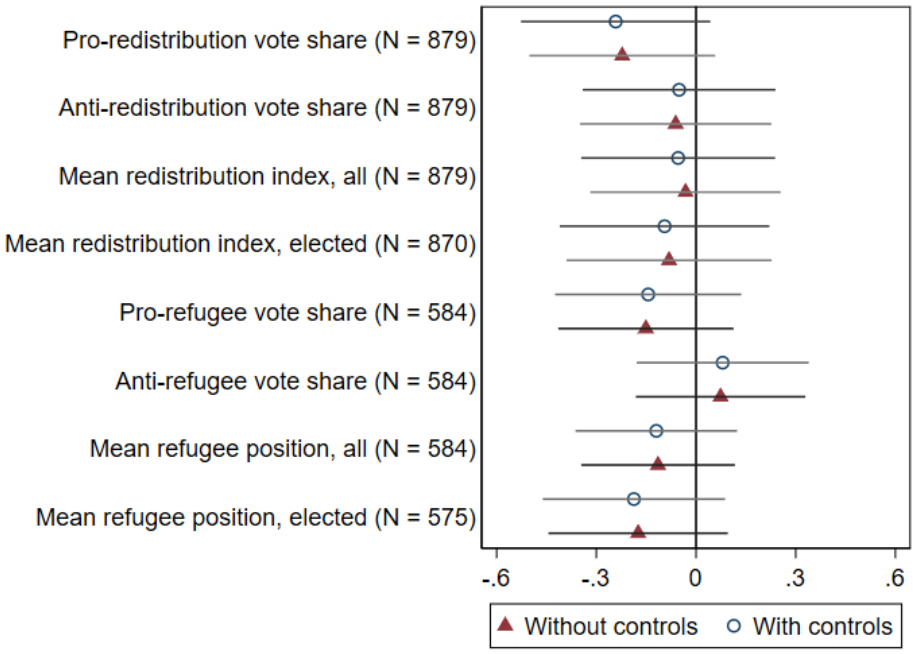
Notes: The dependent variable is the survey respondent response to the following statements so that a higher number indicates agreement. "Welfare state" = "Even though it's costly to maintain generous social welfare and public services, the Finnish welfare state is worth it." (2013, 2014, 2015, 2016, 2018), "Cut services" = "If the taxes were cut, I'd be willing to give up some public services." (2015, 2017). The scale for survey questions is "Strongly agree" = 4; "Somewhat agree" = 3; "Don't know" = 2; "Somewhat disagree" = 1; "Strongly disagree" = 0. The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

candidates as the ones whose redistribution index value is larger than the 75th percentile. The most anti-redistribution candidates have an index value that falls under the 25th percentile. We estimate the effect with the specification (3) (municipality-level analysis).

We repeat this analysis for candidates' refugee positions, which do not refer to acceptance of an asylum center but to reception of refugees with a positive asylum decision about to leave an asylum center. A pro-refugee candidate strongly agrees with the statement *"My municipality should receive refugees."* while an anti-refugee candidate strongly disagrees with the statement. After this classification, we sum up the total votes gained by these candidates proportioned to the total votes, as explained previously.

The total vote share of the most pro-redistribution candidates decreases but the result is statistically significant only at the 10% significance level and when the control variables are included. There is no impact for the most anti-redistribution candidates (Figure 2, Table A.6). There is also no significant effect on the mean values of the redistribution index in the municipalities either when calculated over all the candidates in the municipality or only over the elected candidates. Meanwhile, there is no impact on the total vote shares of most (or least) pro-refugee candidates nor on the average refugee positions of all the candidates or the elected ones (Table A.7).

Figure 2
Impact of asylum centers on the vote shares of pro- and anti-redistribution and pro- and anti-refugee candidates.



Notes: "Pro-redistribution vote share" is the total vote share of the pro-redistribution candidates relative to the total vote share of all the voting advice application respondents while "Anti-redistribution vote share" is the equivalent number for the anti-redistribution candidates in the municipal elections in 2008, 2012, and 2017. The redistribution index value of a pro-redistribution candidate is higher than the 75th percentile of the index. The redistribution index value of an anti-redistribution candidate is lower than the 25th percentile of the index. Both vote shares get a missing value in case there were no pro- resp. anti-redistribution candidates in the municipality. "Mean redistribution index" refers to the mean value of the redistribution index in a municipality in a given year either for all the candidates or just the elected ones. "Pro-refugee vote share" is the total vote share of the pro-refugee candidates relative to the total vote share of all the voting advice application respondents while "Anti-refugee vote share" is the equivalent number for the anti-refugee candidates in the municipal elections in 2012 and 2017. A pro-refugee candidate fully agrees with the statement "My municipality should receive refugees with a positive asylum decision" while an anti-redistribution candidate fully disagrees with it. Both vote shares get a missing value in case there were no pro- resp. anti-refugee candidates. "Mean refugee position" refers to the mean value of the refugee statement in a municipality in a given year either for all the candidates or just the elected ones. Estimates and 95% confidence intervals are divided by standard deviation of dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

In addition, we study partisan voting and turnout (Table 2) in the municipal elections.

The turnout increases by 0.8-0.9 percentage points while the most anti-immigrant party True Finns gain 1.1 percentage points in terms of the vote share. The overall right-wing vote share does not change.

Table 2
The impact of asylum centers on the party popularity and the turnout in the municipal elections.

Dep. var.	Right	True Finns	Turnout	Right	True Finns	Turnout
	(1)	(2)	(3)	(4)	(5)	(6)
Asylum center	-0.006	0.011**	0.007**	-0.001	0.011**	0.008**
	(0.009)	(0.005)	(0.003)	(0.009)	(0.005)	(0.004)
Mean of dep.var.	0.676	0.070	0.631	0.676	0.070	0.631
95% CI LB/std.dev.	-0.169	0.019	0.012	-0.142	0.014	0.014
95% CI UB/std.dev.	0.082	0.301	0.225	0.126	0.308	0.259
R-squared	0.039	0.035	0.058	0.364	0.111	0.344
Observations	1,180	1,180	1,180	1,180	1,180	1,180
Controls				X	X	X

Notes: The municipal elections in 2004, 2008, 2012 and 2017. "Right" refers to the vote share of the right-wing parties, ie. the National Coalition, the True Finns, the Swedish People's Party, the Centre Party, and the Christian Democrats. The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Overall, we find plenty of evidence of voters' responses to refugee migration on the demand side. Most notably, we find that the establishment of an asylum center caused an increase in voters' anti-redistribution attitudes, which also carried over (at least in part) to the electoral outcomes, such as an increase in the support for Finland's most anti-immigration (and welfare chauvinist) party and a (modest) decrease in the aggregate vote shares of pro-redistribution candidates. These findings echo previous studies that documented similar patterns in other European countries. We now turn our attention to the supply side –a unique feature of our study.

IV.D Supply-Side Results

The investigation of candidates' policy positions on redistribution and the welfare state (supply side of policies) is far more interesting for three reasons. First, this is the first time that a study uses a large elite survey to explore politicians' positions on redistribution at the face of mass immigration. Second, politicians' views on policies do directly translate –at least in our context (see Meriläinen 2020)– into outcomes, so understanding the supply side of policies is consequential. Finally, in light of the previous finding on how voters become less favorable towards redistribution, it is interesting to explore whether candidates respond to this change. Theoretically, office-motivated candidates should do so but, in representative democracies, the impact of voters' preferences on the actual policies may be limited by many factors, such as nature of political competition, electoral institutions or ability of politicians to commit to their electoral promises, as in the citizen-candidate models (Osborne and Slivinski 1996; Besley and Coate 1997). Thus, it is still an open question.

Our main results are presented in Table 3. Setting up an asylum center does not have an impact on the redistribution attitudes, neither when considering all the candidates (equation (1), column (1) in Table 3) nor when focusing on the candidate-level balanced panel sample (equation (1), column (2) in Table 3) nor when adding candidate fixed effects (equation (2), column (3) in Table 3) and controls (equation (2), column (4) in Table 3). This means that the candidates neither change their policy positions nor does the entry and exit of the candidates lead to different positions in the candidate pool. These results are quite precise. The 95% confidence interval of our richest specification (column (4)) excludes negative effects larger than about 16% of the outcome's standard deviation and the other specifications are even more precise. The most precise specification excludes negative effects larger than 8%.

As Table 3 shows, there are no statistically significant effects either when restricting the analysis only to right-wing or to True Finn candidates but the latter is quite noisy due to a small sample.

The upper panel of Figure 3 plots the coefficient estimates of the dynamic DID (δ_t in eq. (4)) while the lower one shows the raw data, that is, the average values of the redistribution index for the three municipal elections for which the policy position data exists. As seen below, not only do the treatment and the control groups evolve similarly in the pre-treatment period but, moreover, their pre-treatment levels are also statistically indistinguishable.

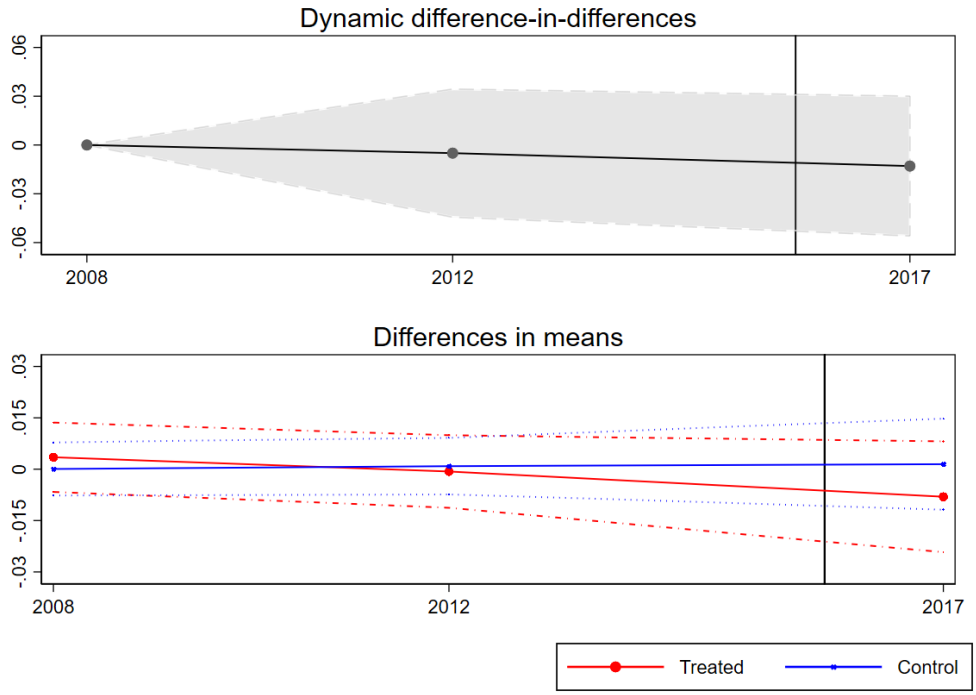
Table 3
Impact of asylum centers on the redistribution index.

Dep. var.	Redistribution index					
	(1)	(2)	(3)	(4)	(5)	(6)
Asylum center,	-0.008	-0.011	-0.011	-0.026	-0.013	-0.039
	(0.017)	(0.020)	(0.029)	(0.030)	(0.034)	(0.085)
Mean of dep.var.	-0.001	-0.007	-0.007	-0.007	-0.279	-0.104
95% CI LB/std.dev.	-0.08	-0.093	-0.123	-0.156	-0.167	-0.435
95% CI UB/std.dev.	0.049	0.052	0.082	0.063	0.114	0.268
R-squared	0.000	0.007	0.798	0.798	0.727	0.685
Observations	32,592	9,322	9,322	9,322	5,244	852
Candidates	27,931	4,661	4,661	4,661	2,622	426
Panel sample		X	X	X	X	X
Party sample	All	All	All	All	Right-wing	True Finns
Candidate FE			X	X	X	X
Control variables				X	X	X

Notes: Voting advice applications in the municipal elections in 2012 and 2017. The redistribution index is described in detail in Section III.B. A larger index value implies a more favorable view on income redistribution. Right-wing candidates belong to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, or the Christian Democrats. The confidence intervals are reported in the standard deviations of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Furthermore, motivated by Alesina et al. (2019) who find that the decreased support for redistribution among Europeans is driven by right-wing voters, we also study the possible heterogeneity in the effect using a saturated model (5) as follows:

Figure 3
Pre-trend of redistribution index.



Notes: Outcome is the mean of the redistribution index by municipality. The cross-sectional unit of observation is a municipality. A larger index value implies a more favorable view on income redistribution. We use voting advice applications for the municipal elections in 2008, 2012 and 2017 to construct the index. The redistribution index is described in detail in Section III.B. Standard errors are clustered at the municipality level. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

$$\begin{aligned}\text{Policy position}_{imt} = \alpha_i + \delta_1 ASYLUM_m * AFTER_t + \beta ASYLUM_m + \gamma AFTER_t \\ + \delta_2 ASYLUM_m * AFTER_t * RIGHT_i + \mu ASYLUM_m * RIGHT_i \\ + \kappa AFTER_t * RIGHT_i + \zeta RIGHT_i + \varepsilon_{imt}\end{aligned} \tag{5}$$

$RIGHT_i$ marks an affiliation with the National Coalition, the Swedish People's Party, the Centre Party, the Christian Democrats or the True Finns. The effects of interest are δ_1 and δ_2.[27] We present these results in Table A.8 showing that this interaction term is

[27]Normally, one would want to include also party fixed effects. However, it is rare in the Finnish

also insignificant.

In another specification, we allow the redistribution index distribution to vary across parties (Table A.9). For example, candidates of the Left Alliance now get a high value of the party-specific redistribution index only if they are even more supportive of redistribution than an average candidate of the Left Alliance. In contrast, more left-leaning candidates of the conservative National Coalition can get a high value of the party-specific redistribution index, even if they get just an average value of the overall redistribution index. Nevertheless, the previous results do not change and there is no evidence of within-party position changes. Perhaps even more surprisingly, we also find that marginal candidates who might be more sensitive to electoral pressures and, thus, more likely to pander to voters' demands do not react either (see Table A.10).

These findings, albeit interesting and unexpected, raise more questions than they answer. If voters respond to refugee immigration by demanding less redistribution, why do career-motivated candidates fail to respond? What are the consequences of this lack of candidate response both for policy and political outcomes? If a representative democracy has the ability to override voters' preferences, then it is very likely that this representation gap manifests itself in the form of a populist backlash or a change in the pool of the political personnel and the rise of outsider candidates (Calderón et al. 2019; Dal Bó et al. 2020). We explore this possibility in the next section.

IV.E Disequilibrium and Backlash

In order to make better sense of the overall null effects in the supply side and candidates' non-response to voters' changing redistributive preferences, we need to understand in greater depth what the consequences and mechanisms behind this disequilibrium are. In other words, is the backlash to mass immigration –at least in part– a result of the political disequilibrium that we have discovered? To answer this question, we conduct

system that candidates change the parties and, thus, candidate fixed effects effectively account also for the party affiliation.

two types of analysis. First, we study how various electoral outcomes (e.g. incumbent performance) respond to the asylum center establishment. Second, we explore how the effects vary with the *size of the gap between the demand and the supply of redistributive policies*.

Previously, we have examined how exposure to refugee migration affected support for anti-immigration candidates and the anti-immigration True Finns party. But in addition to vote shares of individual candidates or parties with specific policy positions, a backlash could manifest itself as a change in the pool of candidates and the composition of the political personnel. For example, we might observe more 'outsider' candidates entering into politics (see e.g. Dal Bó et al. 2020) or occupying elected office. Hence, we study what happens to the electoral prospects of a) incumbents, b) candidates with previous political/electoral (but not necessarily office) experience – both candidates that someone could call 'insiders', and c) candidates with an elite occupation. We also examine what happens to the age profile of candidates and of elected candidates, a measure of renewal of the political personnel.

We find plenty of evidence that is consistent with a backlash (Table 4). We see that candidates with prior political experience (i.e. 'insiders' **but not** incumbents) become less likely to run again (columns (1) and (5) in Table 4) or to get elected (columns (2) and (6) in Table 4). In other words, experienced (but non-incumbent) politicians not only fail to replace the incumbents but also withdraw from politics altogether. But this is not good news for incumbents either. As we can see, incumbent councillors also step out from politics (columns (3) and (7) in Table 4) or fail to get re-elected altogether (columns (4) and (8) in Table 4).

These results show that there is a strong wind of change regarding the political personnel and overall representation in the treated municipalities. Not only do experienced incumbents fail to get re-elected and withdraw from politics, but, at the same time, they are not even replaced by the 'usual suspects' –those politicians with prior political experience who have taken part in elections before. In sum, voters opt for fresh faces to

represent them in the treated municipalities.

Table 4
Impact of asylum centers on the shares of 'insider' candidates.

Dep. var.	Re-running non-incumbents	Re-running non-incumbents elected	Re-running incumbents	Re-elected incumbents
	(1)	(2)	(3)	(4)
Asylum center,	-0.021**	-0.024**	-0.021***	-0.025*
	(0.010)	(0.012)	(0.007)	(0.014)
95% CI LB/std.dev.	-0.471	-0.665	-0.422	-0.546
95% CI UB/std.dev.	-0.020	-0.006	-0.088	0.012
R-squared	0.039	0.009	0.052	0.012
With controls	(5)	(6)	(7)	(8)
Asylum center,	-0.021**	-0.024*	-0.020***	-0.026**
	(0.010)	(0.012)	(0.007)	(0.013)
95% CI LB/std.dev.	-0.478	-0.664	-0.403	-0.555
95% CI UB/std.dev.	-0.019	0.004	-0.07	0.00
R-squared	0.222	0.048	0.424	0.046
Mean of dep.var.	0.273	0.107	0.255	0.561
Observations	590	590	885	885

Notes: "Re-running non-incumbents" is the share of the candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all candidates (municipal elections in 2012 and 2017). "Re-running non-incumbents elected" is the share of the elected candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all elected (municipal elections in 2012 and 2017). "Re-running incumbents" is the share of incumbent councillors running relative to the number of all candidates (municipal elections in 2008, 2012, and 2017). "Re-elected incumbents" is the share of the re-elected incumbent councillors relative to the number of all elected (municipal elections in 2008, 2012, and 2017). The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Finally, we study if the pool of candidates or councillors changes by focusing on age and occupational profile.[28] The occupational profile refers to the share of candidates who have a prestigious occupation, i.e. work in the army, in the police or with law or are clergymen, top managers, scientists, headmasters, doctors, pharmacists, or politicians.[29]

[28]Cf. Jensen (2020) who finds that refugee migration makes Danish parties promote low-SES politicians and that they are popular among voters.

[29]The occupation is self-announced, rather than based on the registry data. However, that is optimal

There is also evidence that the candidate pool and elected councillors become somewhat younger. This is not a surprising result, given that incumbents and, in general, insiders lost ground in the treatment municipalities and that the average age of municipal councillors is 50 years. There is no impact on the self-announced occupation. (Figure A.14)

Overall, our results suggest that the political disequilibrium and candidate non-response to voters' demand for less redistribution comes at a price. Voters seem to punish political elites by replacing them with less experienced, younger and outsider candidates with no prior involvement in electoral politics. This replacement in the pool of candidates is clear evidence of a backlash, driven by voters' quest for substantive representation.

IV.E.1 Mechanism: Intensity of Exposure and Backlash

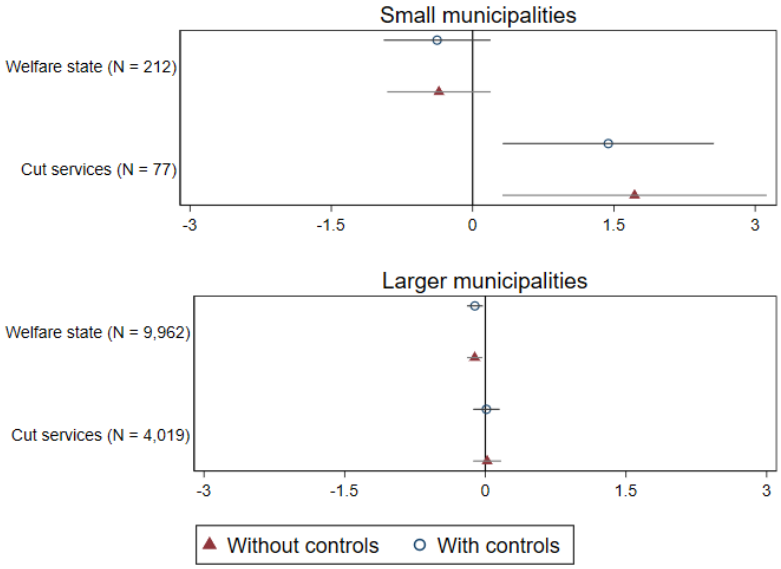
To further understand our findings, we explore the mechanism behind this documented backlash. In other words, we ask the following question: *is the backlash driven by the lack of supply responsiveness* and voters' preferences not being met by politicians? If so, then it must be the case that, as the mismatch between voters' preferences (demand) and politicians' policy positions (supply) widens, so must do the observed backlash, and vice versa. To identify this relationship, we thus focus on heterogeneous treatment effects based on the differential intensity of exposure to refugee migration. Intensity of exposure (ITT) is proxied by the size of the municipality, given that asylum centers have the same capacity of 150-300 residents all over the country.[30] The key idea behind this is the following: in smaller municipalities, intensity of exposure should be higher; they host more refugees per inhabitant and, hence, the influx of asylum-seekers should be more salient. If so, not only demand but also supply of redistribution may be lower, if also politicians respond to this salience of the issue. If this is indeed the case, the disequilibrium gap should be smaller and therefore, the documented backlash should diminish or disappear altogether in this case. We start of, again, with the demand side.

for our purposes, because we are interested in how the candidates present themselves to the electorate.

[30] See Figure A.15 for the population distribution across the municipalities.

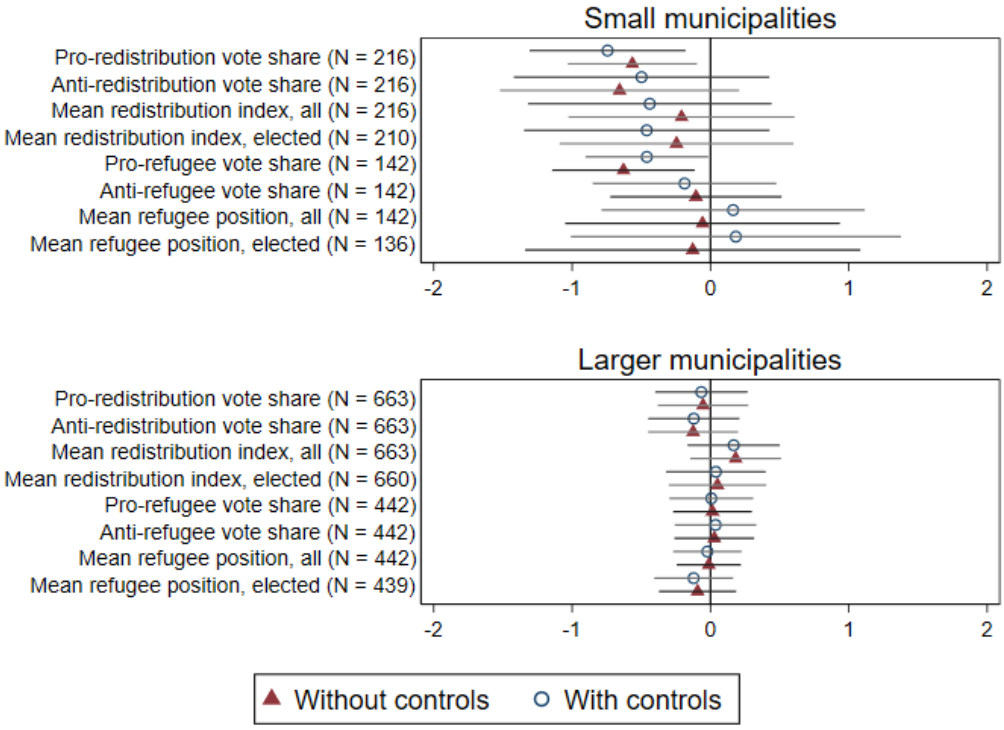
First, we study if the results on voters' redistributive preferences that we presented in Table 1 vary by the intensity of exposure. On average, we find a relatively uniform response on the demand side (Table A.11). In small and, hence, more intensely treated municipalities, voters become more redistribution-averse, even if the estimates are less precise due to the small sample size. Meanwhile, the effect size for the welfare state question is small but statistically significant in larger municipalities –though there is no impact on the question regarding cutting services (Figure 4). Likewise, in smaller municipalities, the vote shares of most pro-redistribution (as well as most pro-refugee) candidates fall while there is no impact in larger municipalities (Figure 5). Finally, the right-wing vote share and the True Finn vote share both get a positive but statistically insignificant coefficient (3 p.p. increase) in small municipalities while there is no impact in larger municipalities (Figure A.16). Overall, these results indicate that demand responses are present in both types of municipalities but they tend to be larger in the more intensely treated municipalities.

Figure 4
The impact of asylum centers on the redistribution-related citizen survey questions, by municipality size



Notes: The dependent variable is the survey respondent response to the following statements so that a higher number indicates agreement. "Welfare state" = "Even though it's costly to maintain generous social welfare and public services, the Finnish welfare state is worth it." (2013, 2014, 2015, 2016), "Cut services" = "If the taxes were cut, I'd be willing to give up some public services." (2015, 2017). The scale for survey questions is "Strongly agree" = 4; "Somewhat agree" = 3; "Don't know" = 2; "Somewhat disagree" = 1; "Strongly disagree" = 0. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. Estimates and 95% confidence intervals are divided by standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

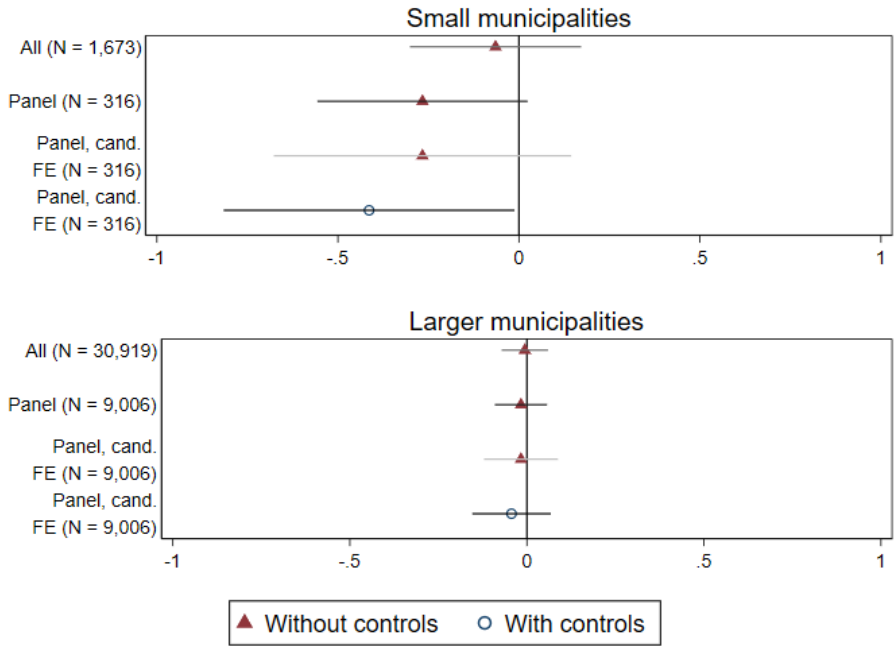
Figure 5
Impact of asylum centers on the vote shares of pro- and anti-redistribution or pro- and anti-refugee candidates, by municipality size.



Notes: "Pro-redistribution vote share" is the total vote share of the pro-redistribution candidates relative to the total vote share of all the voting advice application respondents while "Anti-redistribution vote share" is the equivalent number for the anti-redistribution candidates in the municipal elections in 2008, 2012, and 2017. The redistribution index value of a pro-redistribution candidate is higher than the 75th percentile of the index. The redistribution index value of an anti-redistribution candidate is lower than the 25th percentile of the index. Both vote shares get a missing value in case there were no pro- resp. anti-redistribution candidates in the municipality. "Mean redistribution index" refers to the mean value of the redistribution index in a municipality in a given year either for all the candidates or just the elected ones. "Pro-refugee vote share" is the total vote share of the pro-refugee candidates relative to the total vote share of all the voting advice application respondents while "Anti-refugee vote share" is the equivalent number for the anti-refugee candidates in the municipal elections in 2012 and 2017. A pro-refugee candidate fully agrees with the statement "My municipality should receive refugees with a positive asylum decision" while an anti-redistribution candidate fully disagrees with it. Both vote shares get a missing value in case there were no pro- resp. anti-refugee candidates. "Mean refugee position" refers to the mean value of the refugee statement in a municipality in a given year either for all the candidates or just the elected ones. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. Estimates and 95% confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

Next, we turn our attention to the supply side of policies (candidates) and perform a similar heterogeneity analysis based on the size of municipal population. The candidates in the municipalities with the fewest residents (higher intensity of exposure) start to support redistribution less (Figure 6, see also Table A.12). This result indicates that *intensity of exposure*, which increases in the number of asylum-seekers per municipal resident, seems to matter in driving candidates' opposition to redistribution. Or, in other words, politicians seem to respond to voters' preferences when issue-salience is increasing. As expected, candidates' positions do not change at all in larger and, thus, less intensely exposed municipalities.

Figure 6
Impact of asylum centers on redistribution positions, by municipality size.



Notes: Voting advice applications in the municipal elections in 2012 and 2017. A larger index value implies a more favorable view on income redistribution. The redistribution index is described in detail in Section III.B. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. Estimates and 95% confidence intervals are divided by standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

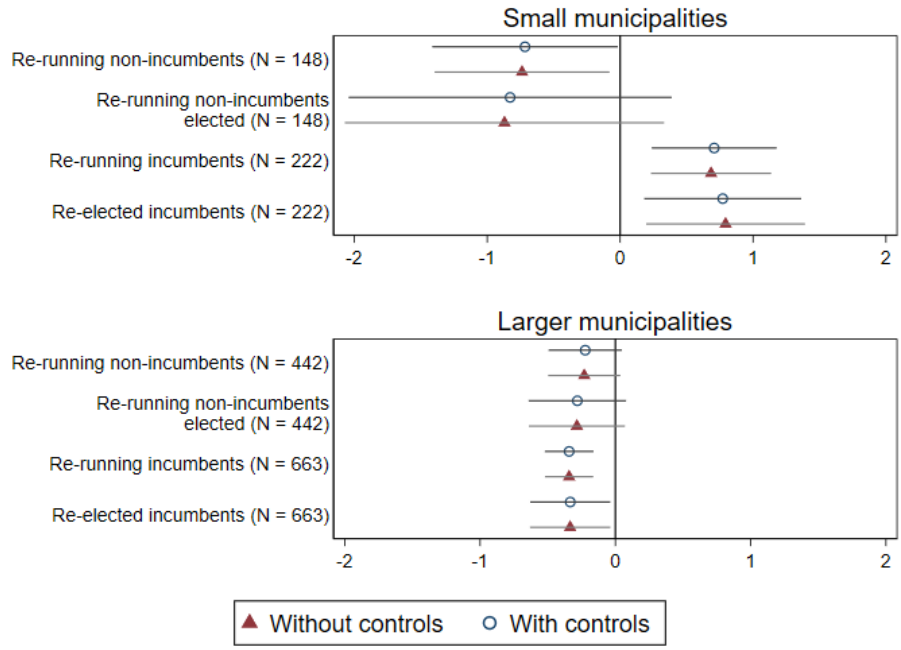
The next step is to naturally ask the following question: how does this narrowing of the supply-demand gap in more exposed municipalities maps into the documented backlash, given that their politicians are now relatively more responsive to voters' anti-redistributive preferences? Put differently, is the backlash against mainstream and experienced candidates –the political insiders– attenuated (exacerbated) in smaller (larger) municipalities? We find clear evidence in support of this claim. In particular, in small municipalities, incumbent councillors are more likely to re-run (Figure 7; column (3) and (7) in Table A.13) and to be elected (Figure 7; columns (4) and (8) in Table A.13).[31] The picture is reversed in larger municipalities where all the 'insider' candidates (i.e. those with prior experience from previous elections) become less likely to run and to be elected (Figure 7; Table A.14). Additionally, in small municipalities, there is suggestive evidence that the average age of councillors increases, which is consistent with the increasing popularity of incumbents. In contrast, in larger municipalities, both the candidate pool and elected candidates become younger, which is in line with the weakening electoral prospects of incumbents (Figure A.17). Thus, we do find a clear relationship between supply non-response and the backlash. Figure 8 reports respective pre-trend analysis. For the larger municipalities we cannot with certainty argue that we observe a real effect of asylum centers as the pre-trends are not common. However, given that for the small municipalities common pre-trends are present, we have confidence in the overall argument.

There are two things to note with respect to these results. First, the documented backlash is stronger in the larger and, hence, less intensely exposed to refugees municipalities. This might sound paradoxical in the first instance –one would anticipate backlash to appear in the *most exposed* municipalities– but it is consistent with our understanding of the backlash as the outcome of a political disequilibrium between voters and candidates. If candidates are motivated to shift their positions only when the issue is very salient, then a backlash naturally appears in the municipalities where refugee migration is less salient and candidates are less responsive.

[31] In contrast, the candidates who failed to be elected in the previous elections become less likely to re-run (specifications (1) and (5) in Table A.13).

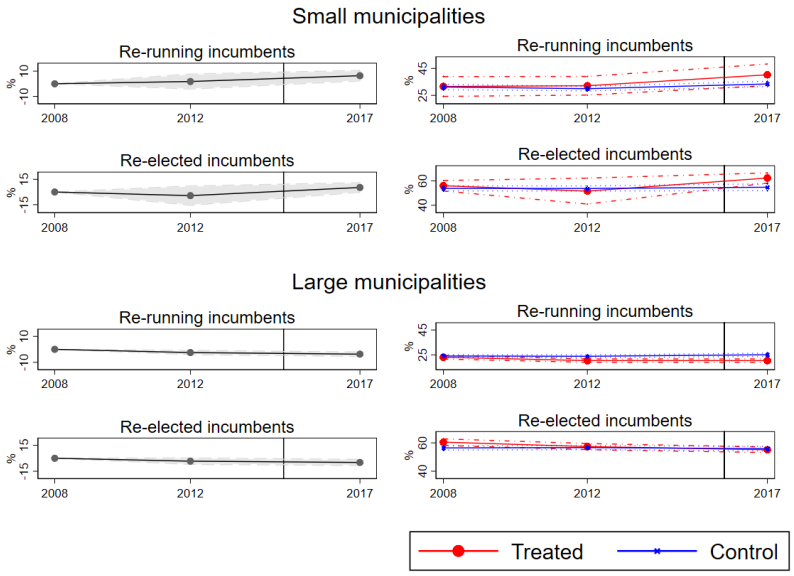
The second point is related to this observation. The presence of a backlash appears to be the natural outcome of candidate non-responsiveness. Or, in other words, a backlash is simply the symptom of voters' preferences not mapping into policies; it does not have to be necessarily related to the intensity of the issue. This conceptualization of backlash stands in contrast with previous interpretations while linking it with the changes in policy outcomes.

Figure 7
Impact of asylum centers on the shares of more experienced candidates, by municipality size.



Notes: "Re-running non-incumbents" is the share of the candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all candidates (municipal elections in 2012 and 2017). "Re-running non-incumbents elected" is the share of the elected candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all elected (municipal elections in 2012 and 2017). "Re-running incumbents" is the share of incumbent councillors running relative to the number of all candidates (municipal elections in 2008, 2012 and 2017). "Re-elected incumbents" is the share of the re-elected incumbent councillors relative to the number of all elected (municipal elections in 2008, 2012 and 2017). Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. Estimates and 95% confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

Figure 8
Dynamic differences-in-differences of popularity of incumbents by municipality size.



Notes: "Re-running incumbents" is the share of incumbent councillors running relative to the number of all candidates. "Re-elected incumbents" is the share of the re-elected incumbent councillors relative to the number of all elected candidates. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

V CONCLUSIONS

We study the impact of asylum center establishment on the redistribution attitudes of candidates and voters using difference-in-differences design. Regarding the supply (candidate) side, we do not find an effect on the redistribution or immigration positions of the candidates on average, and we can exclude a negative effect larger than 18% (8%) of the standard deviation in the richest (most precise) specification. This absence of effects is very robust across a variety of specifications.

However, we do find that the attitudes towards redistribution become more negative in the very smallest municipalities where also the per capita inflow of immigrants is the largest. In other words, we find that the *intensity of exposure* to the refugee flows matters and seems to be key in moving attitudes towards redistribution in this negative direction. This finding – that intensity of exposure matters – is in line with the recent findings on heterogeneous effects of mass immigration flows on attitudes towards refugees and immigrants in general in various European contexts (see e.g. Dinas et al. 2019; Vertier and Viskanic 2018).

Regarding the demand (voter) side, we find that attitudes towards redistribution become more negative on average. Moreover, the total vote share of the most pro-redistribution candidates decreases and the True Finn vote share increases suggesting an anti-immigration backlash. Moreover, turnout increases.

Taken together, our results are consistent with candidates being less responsive to asylum centers and the presence of refugees than voters. There are two important conclusions coming out already from this result that could be generalized. First, our results indicate that *representative democracy* may filter the mapping of voter preferences onto polices. While voters' preferences regarding redistribution and public good provision might become more negative in the face of immigration shocks that increase the perceived (and sometimes actual) underlying ethnic heterogeneity of the population (see e.g. Alesina et al. 2001, 2018) policy outcomes appear to be stickier. The implications are

twofold: on the one hand, it may reflect a constraint on how representative democracy is able to translate citizens' preferences to polices. On the other hand, such constraints may work as checks and balances that reduce risks in policy-making by making it less volatile and more predictable. Yet, it is rather unclear whether this policy stickiness and the lack of responsiveness to voters' demands is desirable from a normative point of view.

What is more, as Dal Bó et al. (2020) find, this type of a political disequilibrium can increase demand for *substantive representation* and might also fuel the rise of populist and far-right parties and candidates. In other words, there is a price to pay for overriding voters' preferences. Our results regarding backlash are consistent with the latter argument. We document a backlash in which incumbents and other experiences candidates are punished in the subsequent elections. Moreover, the backlash is stronger in the larger and, hence, less intensely exposed to refugees municipalities. That is, when both voters and candidates respond, there is not backlash but, when only voters do, there is one. Therefore, our results help shed more light on the mechanism and consequences of the so-called "backlash to immigration." It appears that there is a more nuanced (equilibrium-based) explanation behind it, instead of a simpler view that attributes it to psychological, cultural or economic factors. In our work, the backlash is primarily driven by the discord between voters' demands and politicians' supplied policies. Moreover, the intensity of this backlash is also linked to the size of this representation gap. Perhaps there are good reasons for a policy not to be responsive –especially if what is demanded violates existing legal and moral norms. But the direct consequence of this is that, while representative democracy might respond more proportionally to the type of challenges immigration poses, it comes at the cost of overriding citizens' preferences and, thus, blemish substantive political representation.

Second, our results also speak for the case of other EU countries that have received large flows of refugees and immigrants during the recent refugee crisis. Magnitude, intensity and time dynamics of the refugee exposure in Finland are similar to what many other European countries have experienced recently. Moreover, those countries have sim-

ilar welfare provisions and undergo the same debate on the future of and public support for their welfare states in the presence of mass migration flows.[32] Hence, while the particular findings of this study pertain to Finland alone, the broader implications on how supply and demand for redistribution policies interact in the context of mass migration flows as well as the implications on the mitigating role of representative democracy could very well carry over to those cases.

[32]For instance, Alesina et al. (2019), using cross-regional survey data from Europe, found that support for redistribution has dwindled significantly in the presence of the recent large migration flows.

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ONLINE APPENDIX

YLE VOTING ADVICE APPLICATION QUESTIONS IN 2008

In order to provide our municipality with more revenue, we should [choose two]:

- increase the property tax rate for residential buildings (Redistribution index)
- increase the property tax rate for holiday houses (Redistribution index)
- increase user fees (Redistribution index)
- sell off municipal property
- attract business with favorable conditions or financial support
- attract new well-off taxpayers by offering them building plots[33]
- request for more state subsidies
- consider a municipality merger
- introduce new user fees. (Redistribution index)

Which of the following services should we privatize [choose as many as you like but at least one of the following]:

- comprehensive school
- health center
- eldercare
- day care
- municipal engineering
- social welfare
- substance abuse treatment and rehabilitation
- fire and rescue services

[33]Municipalities are big land owners and rural municipalities frequently sell building plots at token prices in order to attract new well-to-do taxpayers.

- zoning
- special health care
- water utility
- none of the above

The following questions have a five-step scaling:

- 0 = “completely disagree”
- 1 = “somewhat disagree”
- 2 = empty
- 3 = “somewhat agree”
- 4 = “completely agree”

If there is no other option, we should raise the municipal tax rate rather than cut from the municipal services. (Redistribution index)

It is nowadays too easy to be admitted to social welfare. (Redistribution index)

The municipal user fees should be made more progressive in income. (Redistribution index)

We should compromise on environmental protection if employment can be thus increased.

If one of the parents is at home, we should limit the right of the family to have their child placed in daycare.

We should downsize the number of employees in my municipality because there are too many of them.

If we must choose, it is better to cut funding from health center than school because the private health care exists while there are no private schools.

YLE VOTING ADVICE APPLICATION QUESTIONS IN 2012

The following questions have a five-step scaling:

- 0 = “completely disagree”
- 1 = “somewhat disagree”

- 2 = "don't know" or empty
- 3 = "somewhat agree"
- 4 = "completely agree"

We should increase the health care user fees in my municipality. (Redistribution index)

It is nowadays too easy to be admitted to social welfare.[34] (Redistribution index)

We should raise the property tax rate in my municipality. (Redistribution index)

The municipal user fees should be made more progressive in income. (Redistribution index)

If one of the parents is at home, we should limit the right of the family to have their child placed in daycare.

The old should have a universal right to a retirement home similar to one enjoyed now by children with respect to day care.

Privatisation of municipal health care would increase efficiency and lower the costs.

My municipality should receive refugees.

Too little attention has been paid to marginalization of the children and the youth of my municipality.

Recycling should be possible in the public trash cans in my municipality.

My municipality should spend more money in the road maintenance.

We should compromise on environmental protection if employment can be thus increased.

If my municipality were to merge with another municipality in the near future, a consultative referendum should be held on the merger decision.

The voting age limit in the municipal elections should be decreased to 16 years [from 18 years].

Members of Parliament should not run in the municipal elections.

The five-year long dismissal period for the municipal employees in conjunction with a municipality merger is too long.

Municipal employees should not be nominated as municipal board members.

Which of the following options should be mainly used in order to balance the municipal budget in your municipality? Choose two from the following options:

- Increasing existing user fees or introduction of new ones (Redistribution index)
- Raising taxes (Redistribution index)

[34] While social welfare is regulated nationally, one of its important components is income support, access to which is determined by the case evaluation of municipal authorities. (Moisio et al. 2010). Moreover, a municipality may in practice complicate or facilitate information acquisition on social welfare.

- Issuing more municipal debt
- Selling off municipal property
- Developing the business in the municipality
- Cutting down services (Redistribution index)

Let's assume that your municipality is financially troubled. You must save and there is a trade-off between the services for the elderly and the children. What will you do?

- I cut from the services for the elderly.
- I cut from the services for the children.
- I try to cut even-handedly from both kinds of services.
- We should save but I still propose issuing more debt.

If your municipality were to get a large donation in order to improve the municipal services, which services should be mainly targeted? Choose two from the following options:

- Social services
- Day care
- Eldercare
- Schools
- Nursing staff salaries
- Health centers
- Special health care

HELSINGIN SANOMAT VOTING ADVICE APPLICATION QUESTIONS IN 2017

All the questions have the following five-step scaling:

- 0 = "completely disagree"
- 1 = "somewhat disagree"

- 2 = “don’t know”
- 3 = “somewhat agree”
- 4 = “completely agree”

In case it is necessary either to cut public services and welfare or to increase the tax rate, it is preferable to increase the tax rate. (Redistribution index)

The user fees for public health care should be completely abolished. (Redistribution index)

A user fee should be charged for the library loans in order to strengthen the municipal finances. (Redistribution index)

There should be free public transport in my municipality even if it would increase the municipal tax rate. (Redistribution index)

The user fees for childcare should be more progressive in parental income than nowadays. (Redistribution index)

The present level of public services and welfare are in the longer run unsustainable for the public sector. (Redistribution index)

It is better for the municipality to increase its tax rate than to cut its services. (Redistribution index)

The public services provide in the residential areas mainly inhabited by the rich do not need to be as good as in ones inhabited by the poor. (Redistribution index)

Large disparities in the income are acceptable in order to reward the differences in the ability and industriousness. (Redistribution index)

Higher income inequality is harmful for the society. (Redistribution index)

Euthanasia should be allowed.

I would prefer that the health care services in my region be provided by the public sector, not by the private sector.

Homosexual and lesbian couples must have the same rights to marriage and adoption as the heterosexual couples do.

Old boy networks steer the municipal decision-making.

If the health issues of a citizen can be considered to be due to his or her own life style, he or she should contribute to the health care costs.

If the state offers to set up an asylum center in the municipality, the offer should be accepted.

Public services should be outsourced to the private companies more than now.

Public services should be increasingly outsourced to the private companies.

All the decision-making should take into account the environmental impacts and, if necessary, give up environmentally harmful projects.

My municipality should be incorporated to a larger municipality or other municipalities should be incorporated to mine.

There should be more vegetarian food and less meat at schools.

There should be a law forbidding begging at the streets.

Public libraries should focus on books and not further extend their activities to loaning out items or other novel activities.

The whole Finland should be kept inhabited even if it would be costly for the taxpayers.

My municipality should actively receive the asylum-seekers who have received a positive asylum decision.

Schools treat pupils too softly.

More stringent discipline would make the schools better.

There should be joint physical education classes for girls and boys.

There should be school tracking by the ability of the pupils. There is scope for savings in the cultural services (museums, theatres, orchestras).

It is more important to facilitate private transport rather than public transport in my municipality.

When it comes to zoning, municipal residents should have weaker rights of appeal.

The present network of schools in my municipality must remain intact even if it would increase the municipal costs.

My municipality should abandon the policy of requiring parking slots to be built next to new residential buildings.

My municipality should make compulsory purchases of private plots more boldly in order to facilitate zoning.

My municipality should support children's home care by additional financial means.

My municipality should help people even if they reside in Finland illegally.

My municipality must guarantee a full-time day care slot to all the children younger than three years even if one of their parents is not employed.

There should be gender quotas for the municipal jobs.

There should be a cap for the share of the children with an immigrant background in a class.

Multiculturality is good for the municipality.

Pupils should leave their phones outside the classroom during the class.

Traditional values – such as family, religion and patriotism – are a good basis for the political values.

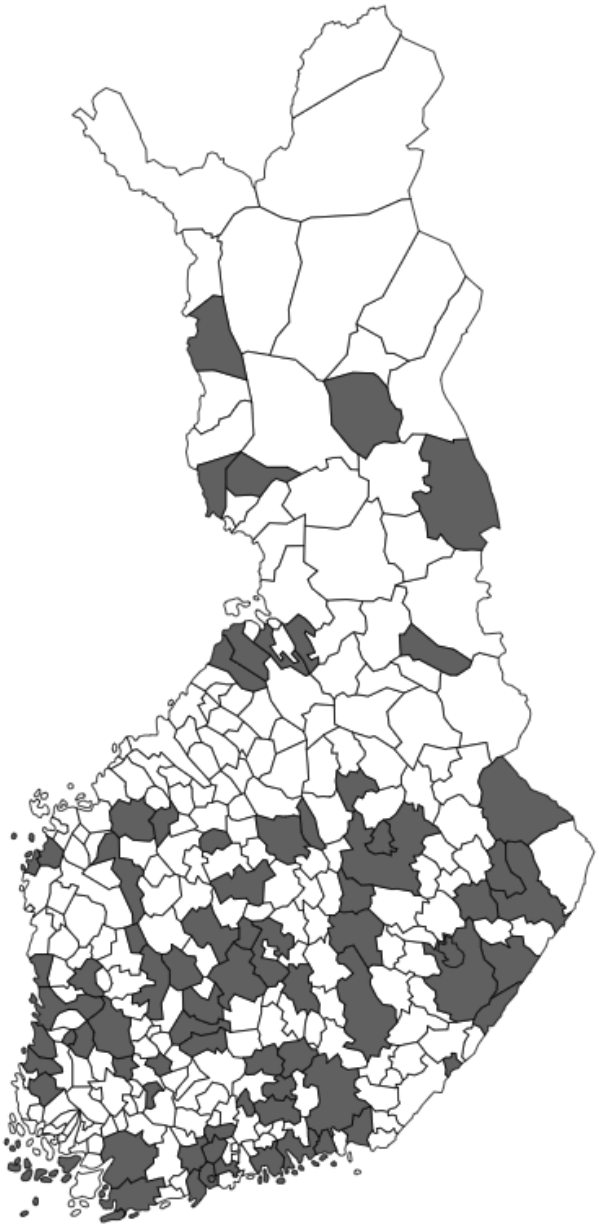
Cycleways and pavements should be cleaned from snow and be sprinkled grit on before the streets.

The municipal tax base should also include the capital income, not just the earned income.

Helping Finns should be prioritised to helping foreigners.

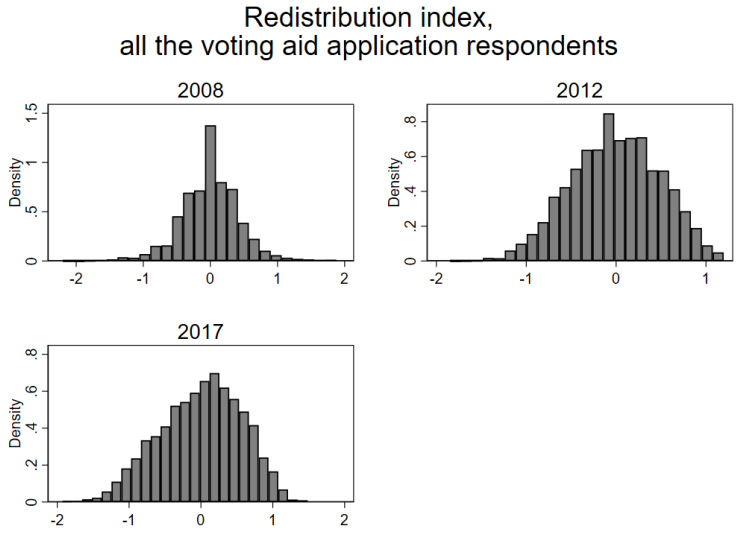
Economic growth and job creation should be prioritised above the protection environmental protection when there is a conflict between these. The right of the parents to choose a school for their children should be restricted.

Figure A.1
Treated municipalities.



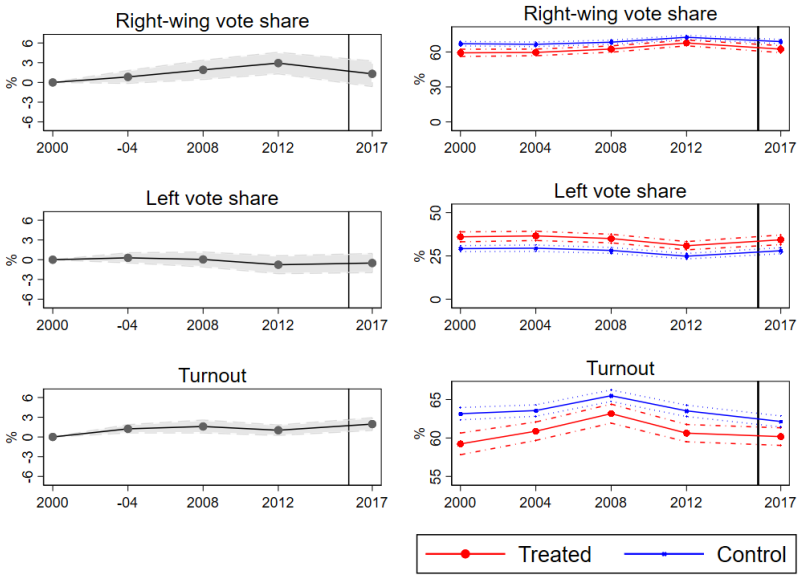
Notes: These are the municipalities where a new asylum center was established in 2015 and where there was no prior functioning asylum center.

Figure A.2
Distribution of the redistribution index.



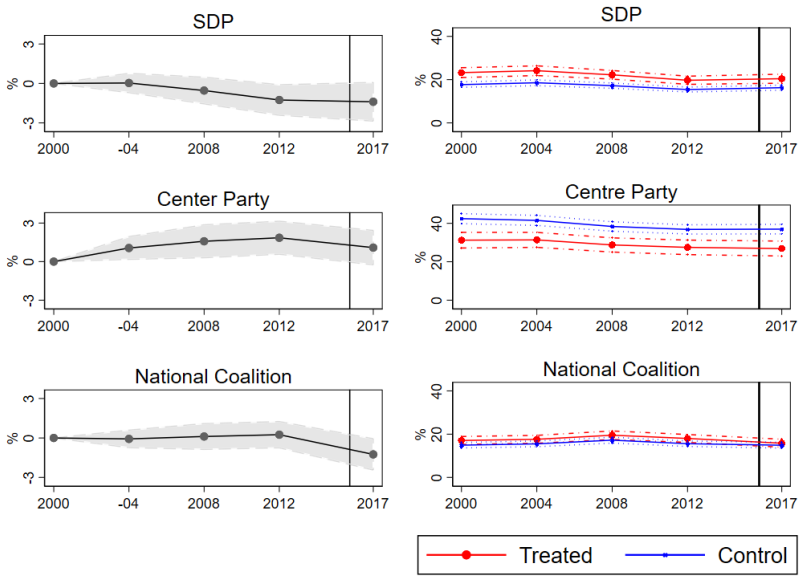
Notes: The redistribution index is described in detail in Section III.B.

Figure A.3
Pre-trends of vote shares of right- and left-wing parties and total turnout in municipal elections for treated and non-treated municipalities.



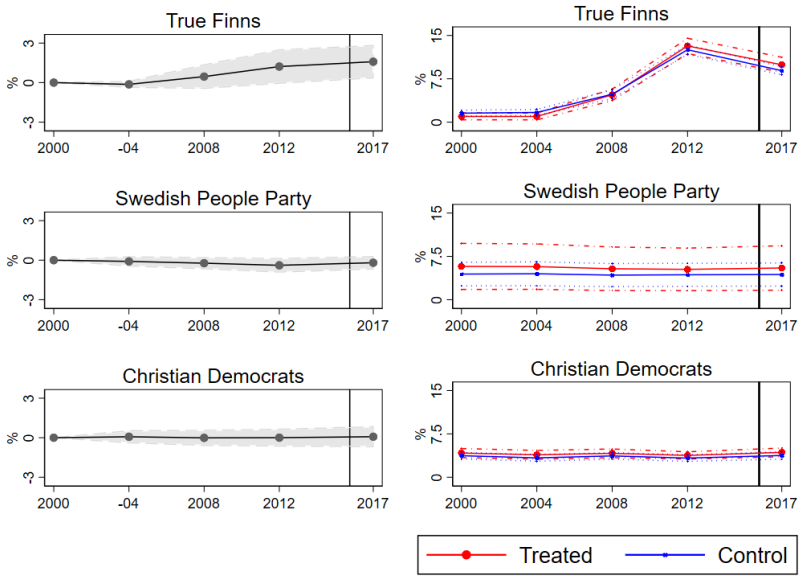
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. The right-wing parties are the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, and the Christian Democrats. The left-wing parties are the Social Democrat Party, the Left Alliance, the Greens and three Communist parties. Their total vote shares do not sum up to 100% because time-variant micro parties and electoral associations are not included. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.4
Pre-trends of vote shares of three largest parties in municipal elections by municipality.



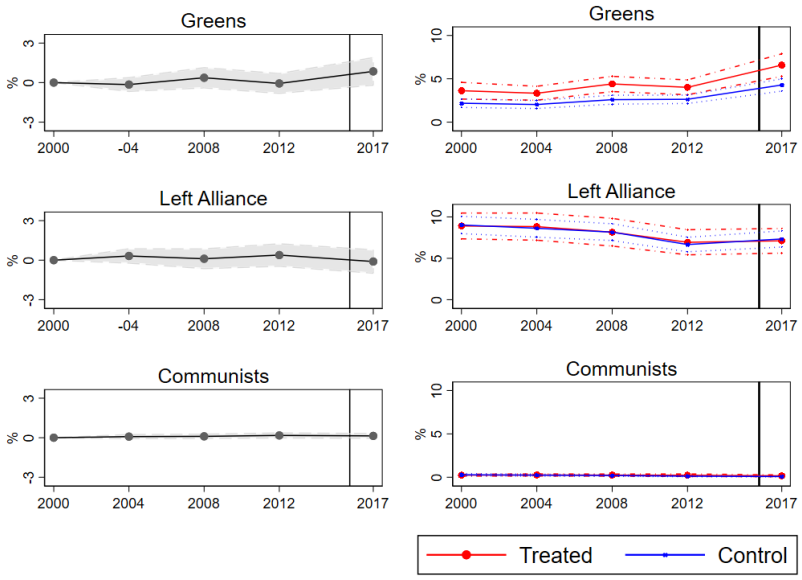
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. The Centre Party and the National Coalition are right-wing parties while the Social Democrats is a left-wing party. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.5
Pre-trends of vote shares of the smaller right-wing parties in municipal elections for treated and non-treated municipalities.



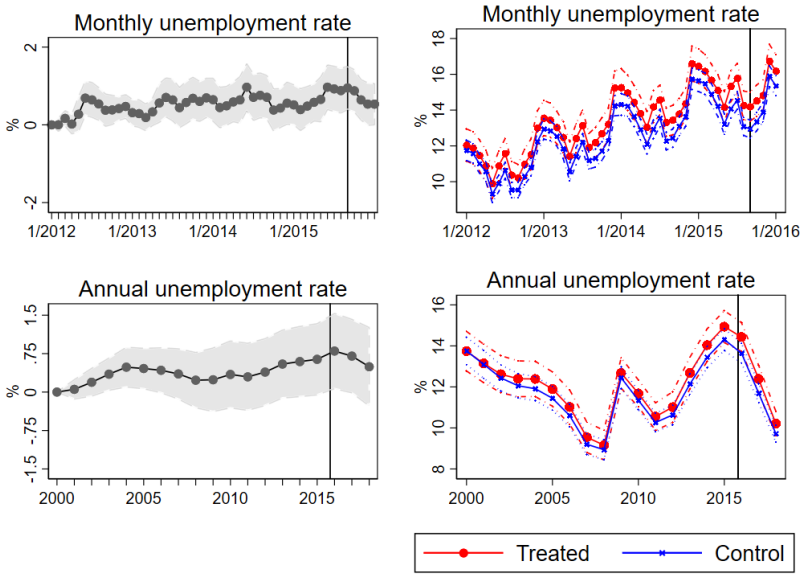
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015). Municipal elections.

Figure A.6
Pre-trends of vote shares of the smaller left-wing parties in municipal elections for treated and non-treated municipalities.



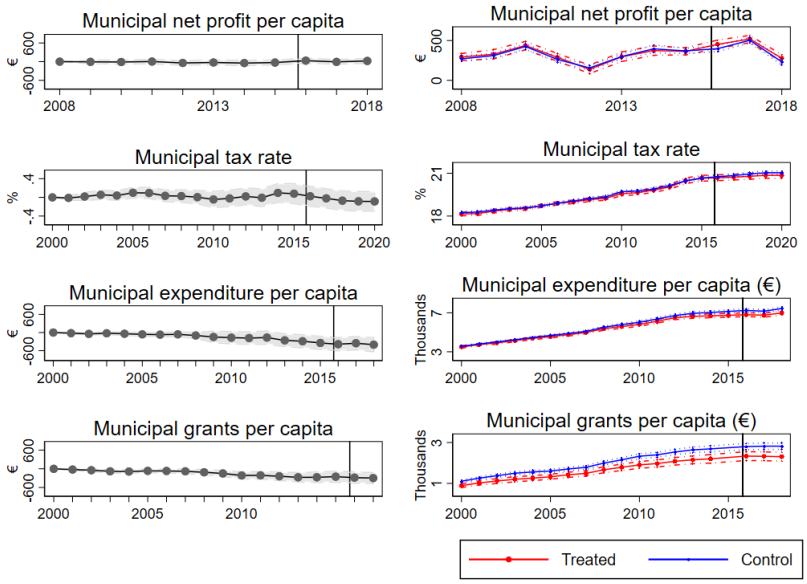
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. The vote shares of the three Communist parties have been summed up. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.7
Pre-trends of monthly unemployment rates and annual unemployment rates for treated and non-treated municipalities.



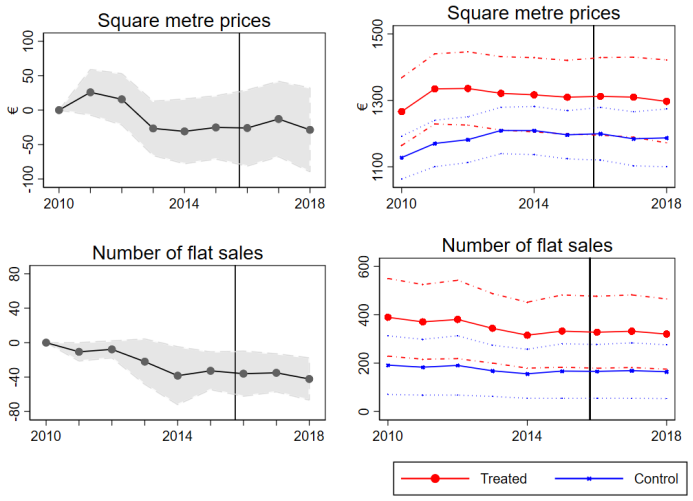
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. Asylum-seekers not included. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.8
Pre-trends of municipal net profits per capita, municipal tax rates, average municipal expenditure and grants per capita for treated and non-treated municipalities.



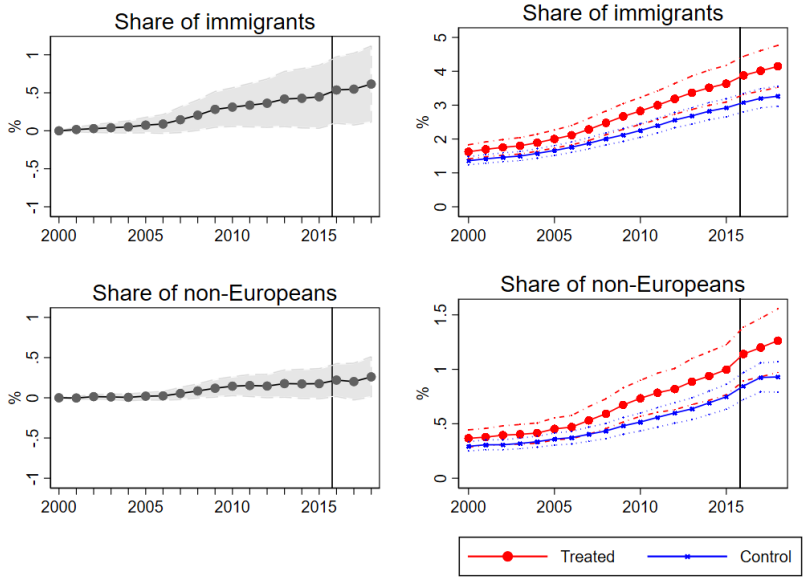
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. Net profit is a commonly used indicator for the fiscal state of the municipality. It is the difference between income (taxes, fees and grants) and operating costs, expressing the per capita amount that can be used on investments and loan repayments. Grants refer to the central government grants to the municipalities. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.9
Pre-trends of square metre prices and number of flat sales for treated and non-treated municipalities.



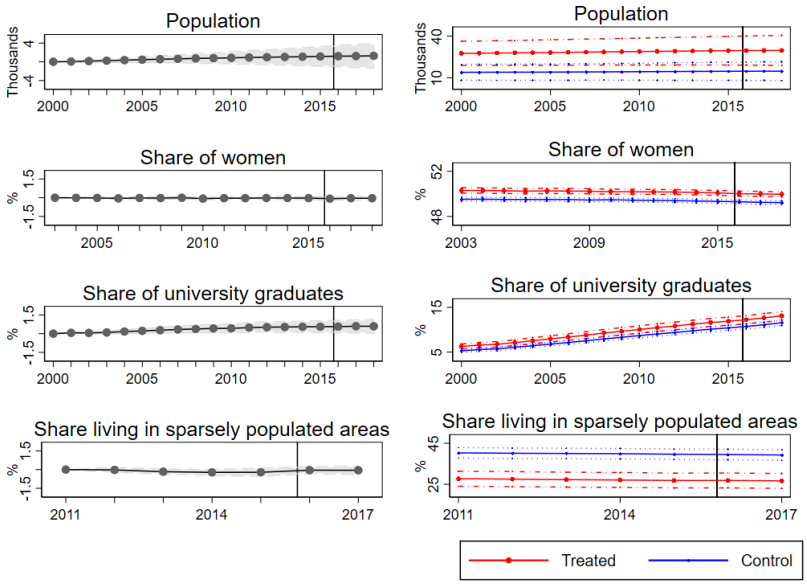
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. The data refers to old flats. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.10
Pre-trends of shares of immigrants for treated and non-treated municipalities.



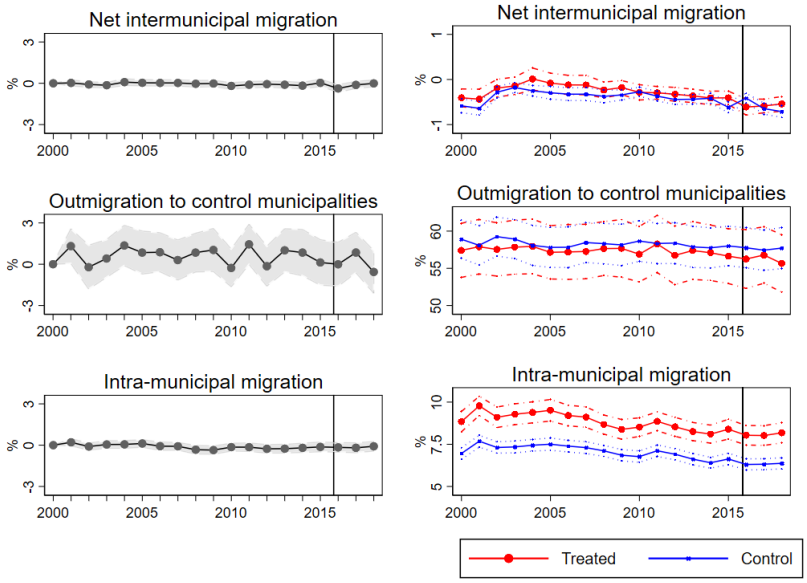
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. The immigrant status is determined by the country of birth. Asylum-seekers not included. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.11
Pre-trends of populations, shares of women, share of university graduates, and shares living in sparsely populated areas for treated and non-treated municipalities.



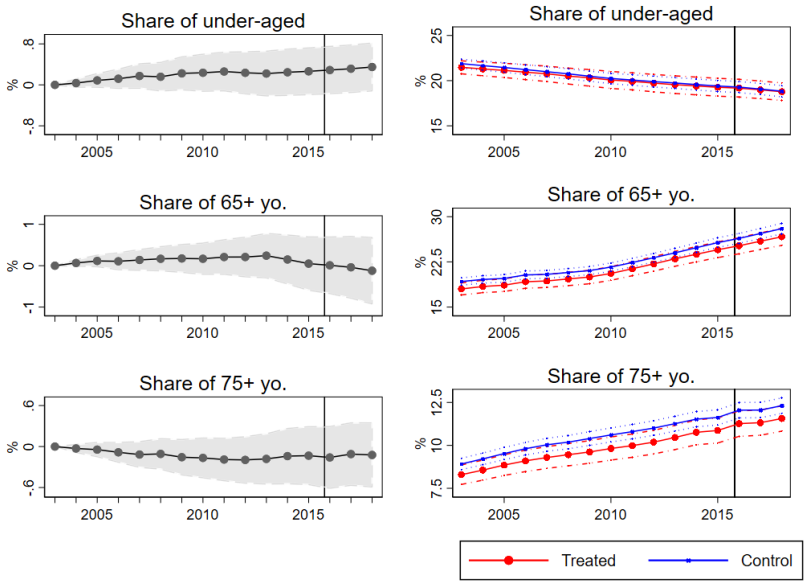
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.12
Pre-trends of across-municipality flows for treated and non-treated municipalities.



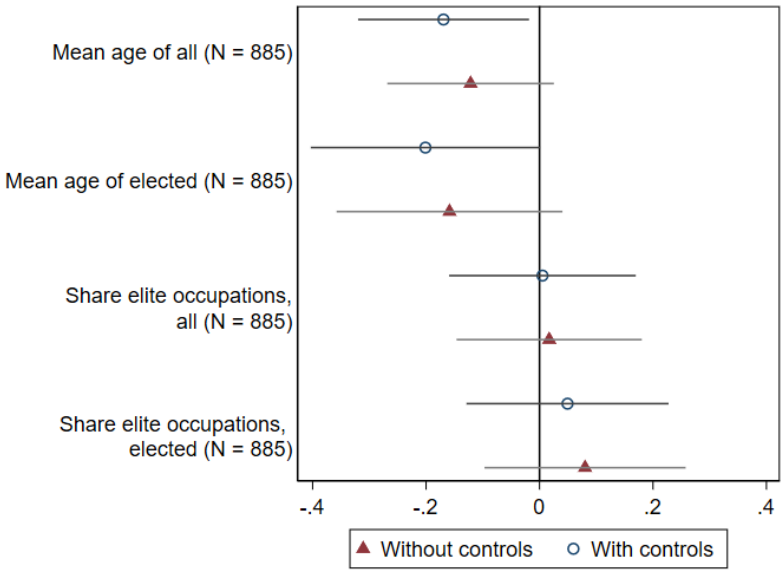
Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. Asylum-seekers not included. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.13
Pre-trends of shares of minors, retired and elderly for treated and non-treated municipalities.



Notes: Dynamic differences-in-differences to the left and means by the treatment status to the right. Asylum-seekers not included. 95% confidence intervals. Vertical line corresponds to the treatment timing (September 2015).

Figure A.14
Impact of asylum centers on candidate characteristics.



Notes: Municipal elections in 2008, 2012, and 2017. Elite occupations consist of army, police, law, clergymen, top managers, scientists, headmasters, doctors, pharmacists, and politicians and exclude pensioners. Estimates and 95% confidence intervals divided by standard deviation of dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

Figure A.15
Distribution of population in 2014 by municipality.

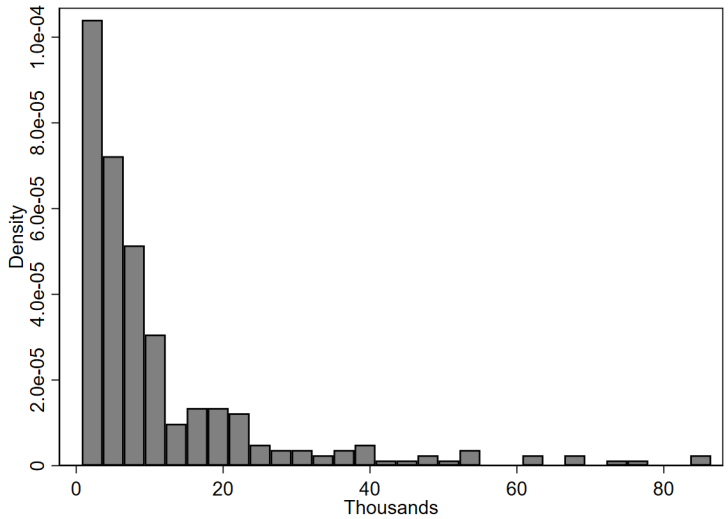
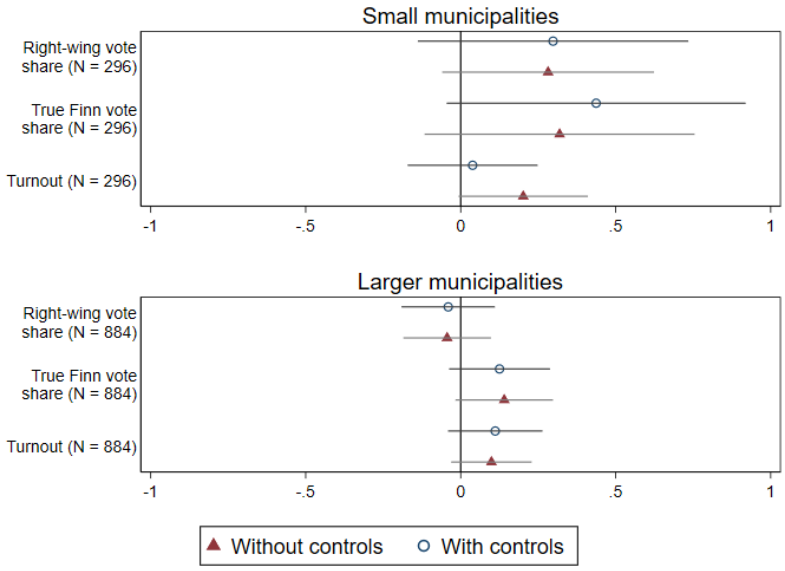
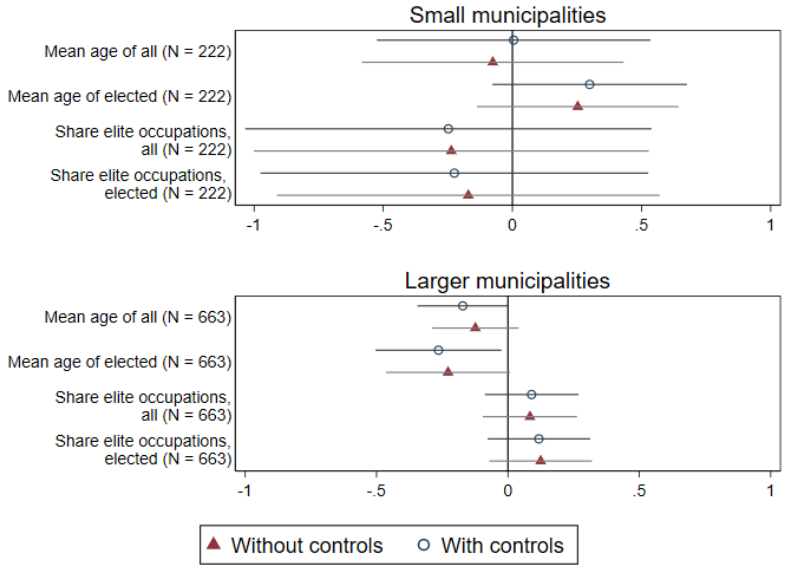


Figure A.16
The impact of asylum centers on the party popularity and the turnout in the municipal elections, by municipality size.



Notes: The municipal elections in 2004, 2008, 2012 and 2017. "Right" refers to the vote share of the right-wing parties, ie. the National Coalition, the True Finns, the Swedish People's Party, the Centre Party, and the Christian Democrats. Estimates and 95% confidence intervals divided by standard deviation of dependent variable. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

Figure A.17
Impact of asylum centers on candidate characteristics, by municipality size.



Notes: Elite occupations consist of army, police, law, clergymen, top managers, scientists, headmasters, doctors, pharmacists, and politicians and exclude pensioners. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. Estimates and 95% confidence intervals divided by standard deviation of dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents.

Table A.1
Descriptive statistics for the municipalities with and without an asylum center established in the fall 2015.

	Without	With	Difference	P-value
Population	14653	29393	14740	0.02
	(48337)	(44558)		
Unemployment	13.45	14.04	0.59	0.25
rate (%)	(3.93)	(3.48)		
Share elderly	0.12	0.11	-0.01	0.08
	(0.03)	(0.03)		
Share	0.10	0.12	0.01	0.01
uni. graduates	(0.04)	(0.04)		
Share of non-	0.01	0.01	0.00	0.03
Eur. for.-born	(0.01)	(0.01)		
Share female	0.49	0.50	0.01	0.00
	(0.01)	(0.01)		
Right vote	0.76	0.71	-0.05	0.00
share	(0.09)	(0.09)		
True Finn	0.19	0.20	0.01	0.19
vote share	(0.06)	(0.07)		
Observations	219	76		

Notes: The demographic variables are from 2014. "Share elderly" is the ratio of the residents older than 75 years relative to the population. "Share uni. graduates" is the ratio of the residents with a university degree relative to the population older than 15 years. "Share of non. Eur. for.-born" is the ratio of the non-European foreign-born residents relative to the population. "Share female" is the ratio of women to the population. The political variables are from the parliamentary elections in April 2015. "Right-wing vote share" is the votes received by the National Coalition, the Swedish People's Party, the Centre Party and the True Finns relative to all the votes.

Table A.2
Descriptive statistics on the candidates by the use of voting advice application.

Year	2008		2012		2017	
Voting advice respondent	Yes	No	Yes	No	Yes	No
Right-wing	0.61	0.57	0.62	0.61	0.54	0.64
	(0.49)	(0.49)	(0.48)	(0.49)	(0.50)	(0.48)
True Finn	0.03	0.07	0.10	0.14	0.09	0.12
	(0.17)	(0.25)	(0.30)	(0.35)	(0.29)	(0.33)
Female	0.43	0.37	0.41	0.36	0.43	0.38
	(0.50)	(0.48)	(0.49)	(0.48)	(0.50)	(0.49)
Age	45.36	50.30	46.39	51.65	45.19	51.87
	(12.79)	(13.25)	(13.26)	(13.74)	(13.25)	(13.86)
Was previously	0.24	0.19	0.22	0.17	0.18	0.21
councillor	(0.43)	(0.39)	(0.41)	(0.38)	(0.39)	(0.40)
Is elected as	0.33	0.21	0.31	0.20	0.29	0.26
councillor	(0.47)	(0.41)	(0.46)	(0.40)	(0.45)	(0.44)
Vote share in	0.92	0.79	0.85	0.78	0.75	0.95
the elections (%)	(1.20)	(1.08)	(1.15)	(1.11)	(1.14)	(1.30)
Redistribution index	0.00		0.00		-0.00	
	(0.45)		(0.48)		(0.57)	
Observations	20,161	18,340	20,749	16,374	11,843	21,771

Notes: "Right-wing" refers to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, and the Christian Democrats. "Was previously councillor" refers to the politicians who had been elected as councillors in the previous elections. The redistribution index is described in detail in Section III.B. A larger index value implies a more favorable view on income redistribution.

Table A.3
Descriptive statistics on the voting advice application respondents by year.

Year	2017	2012	Difference	P-value
Right-wing	0.54	0.62	0.08	0.01
	(0.50)	(0.48)		
True Finn	0.09	0.10	0.01	0.49
	(0.29)	(0.30)		
Female	0.43	0.41	-0.03	0.00
	(0.50)	(0.49)		
Age	45.19	46.39	1.19	0.01
	(13.25)	(13.26)		
Was previously	0.18	0.22	0.03	0.08
councillor	(0.39)	(0.41)		
Is elected	0.29	0.31	0.02	0.52
as councillor	(0.45)	(0.46)		
Vote share in	0.75	0.85	0.10	0.54
the elections (%)	(1.14)	(1.15)		
Redistribution	-0.00	0.00	0.00	0.90
index	(0.57)	(0.48)		
Observations	11,843	20,749		

Notes: "Right-wing" refers to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, and the Christian Democrats. "Was previously councillor" refers to the politicians who had been elected as councillors in the previous elections. The redistribution index is described in detail in Section III.B. A larger index value implies a more favorable view on income redistribution.

Table A.4
Correlates of the overall redistribution index.

Dependent variable	Redistribution index
Female	0.060***
	(0.004)
Age	0.000
	(0.000)
Right-wing	-0.448***
	(0.014)
R-squared	0.206
Observations	52,753

Notes: Voting advice applications in 2008, 2012 and 2017. "Right-wing" refers to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, and the Christian Democrats. The regression controls for the year effects. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.5
Descriptive statistics on background of voter survey respondents and on redistribution-related voter survey questions.

Lives in a treated	0.39
municipality	(0.49)
Observations	14,287
Right-wing	0.38
	(0.49)
Observations	14,287
Observations	14,287
University	0.25
degree	(0.43)
Observations	14,287
Female	0.48
	(0.50)
Observations	12,278
"Even if costly, Finnish	2.96
welfare state is worth it."	(1.01)
Observations	10,174
"If the taxes were cut, I'd be	2.05
willing to give up some public services."	(1.19)
Observations	4,096

Notes: "Right-wing" refers to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, and the Christian Democrats. "Even though it's costly to maintain generous social welfare and public services, the Finnish welfare state is worth it.": asked in 2013, 2014, 2015, 2016, and 2018. "If the taxes were cut, I'd be willing to give up some public services.": asked in 2015 and 2017. The scale for survey questions is "Strongly agree" = 4; "Somewhat agree" = 3; "Don't know" = 2; "Somewhat disagree" = 1; "Strongly disagree" = 0. Surveys are conducted in the beginning of each year except there were two rounds in 2018, in the beginning of the year and the fall. The second round of 2018 does not contain the gender variable.

Table A.6
Impact of asylum centers on the vote shares of pro- and anti-redistribution candidates.

Dependent variable	Vote share of:		Mean redistribution index for:	
	pro-redist.	anti-redist.	all	elected
	(1)	(2)	(3)	(4)
Asylum center,	-0.030	-0.009	-0.005	-0.014
	(0.019)	(0.022)	(0.021)	(0.028)
95% CI LB/std.dev.	-0.501	-0.348	-0.317	-0.388
95% CI UB/std.dev.	0.056	0.225	0.254	0.226
R-squared	0.006	0.007	0.006	0.003
With controls	(5)	(6)	(7)	(8)
Asylum center,	-0.032*	-0.007	-0.008	-0.017
	(0.019)	(0.022)	(0.022)	(0.028)
95% CI LB/std.dev.	-0.525	-0.340	-0.344	-0.409
95% CI UB/std.dev.	0.042	0.238	0.237	0.220
R-squared	0.053	0.031	0.056	0.029
Mean of dep.var.	0.190	0.256	-0.030	-0.059
Observations	879	879	879	870

Notes: The municipal elections in 2008, 2012 and 2017. "Pro-redistribution vote share" is the total vote share of the pro-redistribution candidates relative to the total vote share of all the voting advice application respondents while "Anti-redistribution vote share" is the equivalent number for the anti-redistribution candidates. The redistribution index value of a pro-redistribution candidate is higher than the 75th percentile of the index. The redistribution index value of an anti-redistribution candidate is lower than the 25th percentile of the index. Both vote shares get a missing value in case there were no pro- resp. anti-redistribution candidates in the municipality. "Mean redistribution index" refers to the mean value of the redistribution index in a municipality in a given year either for all the candidates (3) or just the elected ones (4). The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.7
Impact of asylum centers on the vote shares of pro- and anti-refugee candidates.

Dependent variable	Vote share of:		Mean refugee position for:	
	pro-refugee	anti-refugee	all	elected
	(1)	(2)	(3)	(4)
Asylum center,	-0.025	0.009	-0.066	-0.120
	(0.022)	(0.016)	(0.068)	(0.095)
95% CI LB/std.dev.	-0.413	-0.180	-0.345	-0.443
95% CI UB/std.dev.	0.112	0.328	0.116	0.095
R-squared	0.017	0.017	0.038	0.031
With controls	(5)	(6)	(7)	(8)
Asylum center,	-0.024	0.010	-0.069	-0.129
	(0.023)	(0.016)	(0.071)	(0.096)
95% CI LB/std.dev.	-0.423	-0.177	-0.362	-0.460
95% CI UB/std.dev.	0.135	0.338	0.123	0.086
R-squared	0.253	0.053	0.244	0.193
Mean of dep.var.	0.138	0.116	2.149	2.088
Observations	584	584	584	575

Notes: The municipal elections in 2012 and 2017. "Pro-refugee vote share" is the total vote share of the pro-refugee candidates relative to the total vote share of all the voting advice application respondents while "Anti-refugee vote share" is the equivalent number for the anti-refugee candidates. A pro-refugee candidate fully agrees with the statement "My municipality should receive refugees with a positive asylum decision" while an anti-redistribution candidate fully disagrees with it. Both vote shares get a missing value in case there were no pro- resp. anti-refugee candidates in the municipality. "Mean refugee position" refers to the mean value of the refugee statement in a municipality in a given year either for all the candidates (3) or just the elected ones (4). The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.8
Within-party heterogeneity

Dep. var.	Redistribution index			
	(1)	(2)	(3)	(4)
Asylum center,	-0.006	0.001	-0.001	-0.017
	(0.022)	(0.042)	(0.023)	(0.042)
Asylum center	-0.005	-0.014	-0.007	-0.004
* right-wing cand.	(0.022)	(0.049)	(0.022)	(0.049)
R-squared	0.256	0.809	0.260	0.810
Observations	32,592	9,322	32,592	9,322
Candidates	27,931	4,661	27,931	4,661
Panel sample		X		X
Candidate FE		X		X
Control variables			X	X

Notes: Voting advice applications in the municipal elections in 2012 and 2017. The redistribution index is described in detail in Section III.B. A larger index value implies a more favorable view on income redistribution. Right-wing candidates belong to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, or the Christian Democrats. All the specifications control for the right-wing party affiliation and year effects, the main treatment variable running in the elections in a municipality that will be treated in 2015, and their interaction terms. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.9
Impact of asylum centers on party-specific redistribution index.

Dep. var.	Party-specific redistribution index					
	(1)	(2)	(3)	(4)	(5)	(6)
Asylum center,	0.001	0.006	0.006	-0.010	-0.019	-0.040
	(0.015)	(0.021)	(0.030)	(0.030)	(0.035)	(0.085)
Mean of dep.var.	-0.001	-0.005	-0.005	-0.005	-0.039	-0.0373
95% CI LB/std.dev.	-0.063	-0.079	-0.117	-0.156	-0.197	-0.442
95% CI UB/std.dev.	0.067	0.108	0.146	0.110	0.111	0.269
R-squared	0.000	0.003	0.667	0.668	0.670	0.678
Observations	31,363	8,986	8,986	8,986	5,244	852
Candidates	26,845	4,493	4,493	4,493	2,622	426
Panel sample		X	X	X	X	X
Party sample	All	All	All	All	Right-wing	True Finns
Candidate FE			X	X	X	X
Controls				X	X	X

Notes: Voting advice applications in the municipal elections in 2012 and 2017. The party-specific redistribution index is described in detail in Section III.B. A larger index value implies a more favorable view on income redistribution. The confidence intervals are divided by the standard deviation of the dependent variable. Right-wing candidates belong to the National Coalition, the True Finns, the Centre Party, the Swedish People's Party, or the Christian Democrats. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** $p<0.01$, ** $p<0.05$, * $p<0.1$

Table A.10
Impact of asylum centers on the redistribution positions for the candidates who are marginal in the within-party races.

Dependent variable	Redistribution index			
Measure of	±0.5%	±1%	±0.5%	±1%
closeness:	(1)	(2)	(3)	(4)
Asylum center,	-0.018	-0.030	-0.015	-0.025
	(0.056)	(0.043)	(0.058)	(0.047)
Mean of dep.var.	-0.073	-0.060	-0.073	-0.060
95% CI LB/std.dev.	-0.248	-0.222	-0.249	-0.228
95% CI UB/std.dev.	0.178	0.105	0.192	0.132
R-squared	0.002	0.001	0.019	0.017
Observations	4,161	8,244	4,161	8,244
Controls			X	X

Notes: Voting advice applications in the municipal elections in 2012 and 2017. The redistribution index is described in detail in Section III.B. A larger index value implies a more favorable view on income redistribution. Closeness refers to within-party margins to electoral threshold measured in candidate vote shares out of the total votes to their party. The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.11
The impact of asylum centers on the redistribution-related citizen survey questions by municipality size.

Dep. var.	Welfare state	Cut services	Welfare state	Cut services
Sample	Small municipalities			
	(1)	(2)	(3)	(4)
Asylum center	-0.369	1.829**	-0.388	1.532**
	(0.283)	(0.740)	(0.293)	(0.591)
Mean of dep.var.	2.939	2.117	2.939	2.117
95% CI LB/std.dev.	-0.896	0.356	-0.933	0.351
95% CI UB/std.dev.	0.181	3.083	0.180	2.531
R-squared	0.012	0.059	0.064	0.116
Observations	212	77	212	77
Sample	Larger municipalities			
	(5)	(6)	(7)	(8)
Asylum center	-0.115***	0.023	-0.113**	0.014
	(0.042)	(0.090)	(0.044)	(0.085)
Mean of dep.var.	2.959	2.053	2.959	2.053
95% CI LB/std.dev.	-0.195	-0.128	-0.196	-0.128
95% CI UB/std.dev.	-0.032	0.167	-0.027	0.152
R-squared	0.003	0.005	0.004	0.008
Observations	9,962	4,019	9,962	4,019
Controls			X	X

Notes: The dependent variable is the survey respondent response to the following statements so that a higher number indicates agreement. "Welfare state" = "Even though it's costly to maintain generous social welfare and public services, the Finnish welfare state is worth it." (2013, 2014, 2015, 2016), "Cut services" = "If the taxes were cut, I'd be willing to give up some public services." (2015, 2017). The scale for survey questions is "Strongly agree" = 4; "Somewhat agree" = 3; "Don't know" = 2; "Somewhat disagree" = 1; "Strongly disagree" = 0. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.12
Impact of asylum centers on redistribution positions by municipality size.

Dep. var.	Redistribution index			
Sample	Small municipalities			
	(1)	(2)	(3)	(4)
Asylum center,	-0.027	-0.117*	-0.117	-0.182**
	(0.049)	(0.064)	(0.090)	(0.088)
Mean of dep.var.	-0.066	-0.035	-0.035	-0.035
95% CI LB/std.dev.	-0.297	-0.551	-0.668	-0.807
95% CI UB/std.dev.	0.168	0.018	0.135	-0.021
R-squared	0.003	0.009	0.665	0.681
Observations	1,673	316	316	316
Candidates	1515	158	158	158
Sample	Larger municipalities			
	(5)	(6)	(7)	(8)
Asylum center,	-0.003	-0.009	-0.009	-0.024
	(0.017)	(0.021)	(0.029)	(0.031)
Mean of dep.var.	0.003	-0.005	-0.005	-0.005
95% CI LB/std.dev.	-0.0710	-0.090	-0.121	-0.154
95% CI UB/std.dev.	0.059	0.057	0.087	0.067
R-squared	0.000	0.007	0.801	0.802
Observations	30,919	9,006	9,006	9,006
Candidates	26,416	4,503	4,503	4,503
Panel sample		X	X	X
Candidate FE			X	X
Controls				X

Notes: Voting advice applications in the municipal elections in 2012 and 2017. The redistribution index is described in detail in Section III.B. A larger index value implies a more favorable view on income redistribution. Small municipalities had at most 2908 residents in 2014 while larger municipalities had at least 2909 residents. For the distribution of the municipality sizes see Figure A.15. The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.13
Impact of asylum centers on the vote shares of more experienced candidates, small municipalities.

Dep. var.	Re-running non-incumbents	Re-running non-incumbents elected	Re-running incumbents	Re-elected incumbents
	(1)	(2)	(3)	(4)
Asylum center,	-0.065**	-0.069	0.055***	0.075***
	(0.029)	(0.048)	(0.018)	(0.028)
95% CI LB/std.dev.	-1.386	-2.052	0.239	0.206
95% CI UB/std.dev.	-0.091	0.311	1.129	1.380
R-squared	0.013	0.018	0.062	0.026
With controls	(5)	(6)	(7)	(8)
Asylum center,	-0.063**	-0.066	0.057***	0.073**
	(0.031)	(0.049)	(0.019)	(0.028)
95% CI LB/std.dev.	-1.402	-2.023	0.246	0.191
95% CI UB/std.dev.	-0.029	0.368	1.170	1.353
R-squared	0.065	0.053	0.143	0.055
Mean of dep.var.	0.227	0.097	0.318	0.544
Observations	148	148	222	222

Notes: "Re-running non-incumbents" is the share of the candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all candidates (municipal elections in 2012 and 2017). "Re-running non-incumbents elected" is the share of the elected candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all elected (municipal elections in 2012 and 2017). "Re-running incumbents" is the share of incumbent councillors running relative to the number of all candidates (municipal elections in 2008, 2012 and 2017). "Re-elected incumbents" is the share of the re-elected incumbent councillors relative to the number of all elected (municipal elections in 2008, 2012 and 2017). Small municipalities had at most 2908 residents in 2014. The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

Table A.14
Impact of asylum centers on the vote shares of more experienced candidates, larger municipalities.

Dep. var.	Re-running non-incumbents	Re-running non-incumbents elected	Re-running incumbents	Re-elected incumbents
	(1)	(2)	(3)	(4)
Asylum center,	-0.018*	-0.020	-0.025***	-0.032**
	(0.010)	(0.013)	(0.007)	(0.014)
95% CI LB/std.dev.	-0.496	-0.637	-0.519	-0.630
95% CI UB/std.dev.	0.035	0.069	-0.164	-0.039
R-squared	0.034	0.008	0.045	0.016
With controls	(5)	(6)	(7)	(8)
Asylum center,	-0.017	-0.020	-0.025***	-0.032**
	(0.011)	(0.013)	(0.007)	(0.014)
95% CI LB/std.dev.	-0.492	-0.639	-0.521	-0.628
95% CI UB/std.dev.	0.046	0.077	-0.163	-0.039
R-squared	0.205	0.050	0.429	0.054
Mean of dep.var.	0.289	0.110	0.234	0.567
Observations	442	442	663	663

Notes: "Re-running non-incumbents" is the share of the candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all candidates (municipal elections in 2012 and 2017). "Re-running non-incumbents elected" is the share of the elected candidates who had also run in 2008 resp. 2012 but who were not elected relative to the number of all elected (municipal elections in 2012 and 2017). "Re-running incumbents" is the share of incumbent councillors running relative to the number of all candidates (municipal elections in 2008, 2012 and 2017). "Re-elected incumbents" is the share of the re-elected incumbent councillors relative to the number of all elected (municipal elections in 2008, 2012 and 2017). Larger municipalities had at least 2909 residents in 2014. The confidence intervals are divided by the standard deviation of the dependent variable. The control variables are municipal unemployment rate, municipal population, population share of at least 76 years old residents, population share of non-European foreign-born residents, population share of women as well as share of university graduates relative to at least 16 years old residents. Standard errors are clustered at the municipality level. *** p<0.01, ** p<0.05, * p<0.1

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