
The Rise of Outsiders in Latin America, 1980–2010: An Institutional Perspective

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Abstract

One of the most significant developments in Latin American democracies since the beginning of the third wave of democratization is the rise to political prominence of outsider candidates in presidential elections. I use an original database of political outsiders in Latin America to examine the institutional factors that contribute to the emergence of political outsiders. Using a fixed effects variance decomposition (FEVD) model, I find that, in addition to the favorable conditions already identified in the literature—legitimacy crisis of traditional political parties and negative socioeconomic conditions—the rise of political outsiders is determined by institutional factors, such as nonconcurrent elections, compulsory voting rules, and reelection provisions.

Keywords

outsiders, institutional design, party system change, presidential elections, Latin America

In early 2005, popular protests against President Lucio Gutiérrez in Ecuador led to his downfall. The slogan voiced by the protestors in the streets of Quito

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was straightforward: “*que se vayan todos*” (“throw them all out”; Adrianzén, Rial, & Roncagliolo, 2008, p. 223). A year later, Rafael Correa, an economist who had just entered the political arena, was elected president of the country. He headed a new political movement (Alianza País) and harshly criticized the *partidocracia*, a term used to denounce the corruption and inefficiency of traditional political parties. In December 2001, exactly the same slogan (“*que se vayan todos*”) was used in Buenos Aires to protest against the Argentinean President Fernando de la Rúa when the country was engulfed in one of the worst economic crises in its history. However, the next elected president in Argentina was not a political outsider. Indeed, the two most voted candidates in the 2003 elections (Carlos Menem and Néstor Kirchner) had both been attached for a long time to the Partido Justicialista and had successful political careers within it. Menem had been president of Argentina between 1989 and 1999, whereas Kirchner had been governor of the province of Santa Cruz between 1991 and 2003. It is surprising that very similar circumstances led to dramatically different outcomes in Argentina and Ecuador. This article attempts to tackle and solve this puzzle by studying the institutional factors that facilitate or prevent the rise of political outsiders in Latin America.

What is the impact of institutional design (i.e., formal institutions) on the success of political outsiders in presidential elections in Latin America? This question has been neglected by the extant literature on the subject. The existing studies on the issue of outsiders suffer from many weaknesses. First, although the meteoric rise of leaders like Fujimori in Peru or Collor de Mello in Brazil has generated a few case studies, a general explanation of the phenomenon is still lacking. Second, the existing literature has focused exclusively on the structural factors that lead to the success of outsider challengers. Some scholars have paid special attention to the socioeconomic and political conditions that drive outsider success. They argue that the rise of outsiders is related to the severe economic crises many countries suffered and to the collapse of the party systems. Other scholars have explained the phenomenon in terms of the legitimacy crisis of political institutions and political parties in the region and have paid special attention to the issue of corruption. All these studies seem to assume that structural problems lead to the rise of outsiders almost automatically. I propose a different explanation that complements the existing studies by focusing on the institutional factors that facilitate the entry of serious outsider challengers into the political arena. The explanation I put forward identifies a series of institutional factors that reduce the cost of running for higher office for outsiders. This study demonstrates that the rise of political outsiders is determined by institutional design characteristics, such as concurrent elections, compulsory voting rules, and reelection provisions.

The article proceeds as follows. First, as I am proposing to focus on a relatively neglected topic in the field of comparative politics, I present the theoretical and empirical relevance of the topic. Second, I present my definition of political outsiders and explain why studying outsiders may be more fruitful for empirical research than studying related concepts (e.g., “populists” or “antiparty” politicians). Third, I review the relevant literature that has addressed issues related to the rise of outsiders. From this discussion, I derive a set of hypotheses that are tested in the last section using data from an original database on political outsiders that I have created. Finally, I conclude by presenting the implications of my findings and by suggesting avenues for further research.

Why Study Political Outsiders?

There are important theoretical reasons to study the rise of political outsiders since this topic can be connected to many ongoing debates in the field of comparative politics. The rise of political outsiders has been identified as one of the perils of presidentialism (Linz, 1994). The presidential system makes it possible for individuals without previous political experience to create a new party and participate in presidential elections (Mainwaring, 1993). Suárez (1982) has identified two pernicious consequences of the election of political outsiders to the highest office for the quality of democracy in presidential regimes. First, this phenomenon reduces the efficiency of the executive power since leaders without previous administrative or political experience arrive to power. Second, the rise of outsiders favors the development of a personalist style of doing politics. Elected outsiders may seek a personal bond with the electorate, bypassing intermediary institutions and engaging in delegative forms of democracy (O'Donnell, 1994).

Another negative effect of the arrival to power of political outsiders is the conflict this phenomenon generates between the executive and the legislative branch, which often leads to political instability or even democratic breakdown. In fact, outsiders arrive in power through a new party that is often nothing more than the electoral vehicle they use during presidential elections. However, once in power outsiders have to face the opposition of traditional and institutionalized parties in the legislature. This leads to executive–legislative gridlock or to executive excesses (Linz, 1990, 1994).

In addition to political and policy impasses, political outsiders are more likely to suffer presidential crises, leading to governmental instability. When the ruling party is small (minority in the legislature) and the president is not able to build a stable legislative coalition, the probability of a presidential interruption increases (Pérez-Liñán, 2003, 2007). Both factors negatively

affect the likelihood of political survival of outsiders since they arrive to power with a new party that rarely commands a majority in the legislature, and they lack the political experience and the connections necessary to cement stable legislative coalitions.

Moreover, Siavelis and Morgenstern (2008) argue that the behavior of presidents is “shaped by the processes that bring them to power” (p. 36). Outsider presidents are likely to lack connections with traditional parties. As a consequence, their cabinets tend to be constituted by members of their personal networks of support (cronies) with very limited previous experience in public administration. Furthermore, outsiders are likely to engage more often in patronage and pork to build temporary legislative coalitions since they have trouble building stable multiparty coalitions (Siavelis & Morgenstern, 2008).

Finally, the participation of outsiders in the electoral process can have a destabilizing effect on the party system by increasing the effective number of parties in the system. Successful outsiders can lead to the addition of relevant political movements to the party system. This is problematic because presidentialism and multipartism constitute a “difficult combination.” Increasing the effective number of parties participating in a presidential system may increase the likelihood of executive–legislative gridlock (Mainwaring, 1993). Moreover, an increase in the number of parties in the system augments the likelihood of high electoral volatility. In fact, the probability that an individual will vote for the same party in two consecutive elections will decrease as the number of parties increases (Bartolini & Mair, 1990; Pedersen, 1979). High voter mobility in turn has a negative impact on party system institutionalization (Mainwaring & Scully, 1995).

In sum, the election of outsiders may lead to executive–legislative gridlock, an incompetent executive, and an inefficient use of public resources. These concerns have led pundits and analysts to decry the rise of outsiders, and the empirical importance of the topic is high for the simple reason that, according to the definition I provide below, there are currently four outsider Latin American presidents,¹ and there has been an increasing number of such presidents in recent years. I now turn to the definition of “political outsider” and to the exploration of the factors that contribute to the rise of political outsiders in presidential elections.

Political Outsiders: A Definition

The concept of “outsider” seems commonsensical, but the literature on Latin American presidentialism has not converged to a single and consensual

definition of the term. In fact, scholars interested in the rise of political independents have tended to study this issue under the theoretical framework of “populism” or “neopopulism” (Armony, 2002; Barr, 2003; Cammack, 2000; Crabtree, 1999; Freidenberg, 2007; Hawkins, 2010; Knight, 1998; Madrid, 2008; Panizza, 2000; Roberts, 1995; Walker, 2008; Weyland, 1999).

Others have preferred to use the term *antipolitics* or *antiparty* politicians to describe leaders who climb to the highest office using an antiestablishment rhetoric during campaigns (García Montero, 2001; Kenney, 1998). To the extent that scholars have been interested in “outsiders,” they have tended to lump together this concept with the notion of “populist” and “antiparty politician,” which has led to a conceptual muddle. This is evident in the definition of outsider offered by Linz, in which the three dimensions are lumped together. According to Linz (1994), outsiders are “candidates not identified with or supported by any political party, sometimes without any governmental or even political experience, *on the basis of a populist appeal often based on hostility to parties and ‘politicians’* [italics added]” (p. 26). In this article, I use a different conceptual strategy by distinguishing these three concepts, as has been advocated by other scholars (Barr, 2009; Kenney, 1998). In this article, politicians are defined as either “insiders” or “outsiders” depending only on their party system origins and the nature of their previous political experience.

This conceptual and research strategy has many advantages. First, “populism” is a highly contested concept that is difficult to operationalize. This conceptual fluidity has led some scholars to abandon the study of populism altogether and to describe it as an “empty concept” (Lynch, 1999).² On the contrary, the concept of political outsider can be straightforwardly operationalized and measured by focusing on the previous trajectory of presidential candidates. Moreover, whether outsiders are populists or antiestablishment politicians is an empirical question that should not be assumed a priori by researchers. Even if all outsiders are populists, it could still be the case that some insiders are populists too. In fact, two Argentinean presidents—Menem and Kirchner—have been described as populist politicians despite their positions as insiders within the traditional Partido Justicialista before coming to power (Castorina, 2009; Leaman, 1999). Hence, it is important to distinguish the study of populists from the study of outsiders.

Barr (2009) defines an outsider as “someone who gains political prominence not through or in association with an established, competitive party, but as a political independent or in association with new or newly competitive parties” (p. 33). This definition is a big step forward. However, it leaves out of the analysis candidates who are new to politics but run on the ticket of a

traditional party or in an alliance of many existing parties like the last two elected presidents in El Salvador, Antonio Saca from ARENA and Mauricio Funes from FMLN.³

In a recent study of political outsiders, Samuels and Shugart (2010) focus on the previous political career of presidents and prime ministers. They consider politicians with limited previous political experience (in the party, in the cabinet, or in the legislature) as outsiders. However, their approach is too broad because they imply that state governors or politicians working as regional leaders of an established party can be considered as outsiders.⁴

This study builds on these two previous conceptual approaches to build a new definition of “political outsiders” in presidential elections. In the context of presidential elections, political outsiders are candidates who (a) have not had a previous career in politics or public administration when the campaign starts *and/or* (b) participate in the elections as political independents or in association with new parties. My definition implies that there are many degrees of “outsidership” in presidential elections depending on the previous political experience and the party system origins of presidential candidates. Three types of outsiders exist. “Full outsiders” are politicians who have not had a political career and compete in presidential elections with a new party (e.g., Lugo in Paraguay). “Mavericks” are politicians who were political figures in already existing parties but who compete with a newly created party (e.g., Uribe in Colombia).⁵ “Amateurs” are politicians who are new to politics but compete in traditional parties (e.g., Mauricio Funes in El Salvador).⁶ Figure 1 presents a typology of presidential candidates incorporating this conceptual refinement.

Including all types of outsiders in the same statistical analysis would be misleading because different types of outsiders may rise for different reasons. For instance, when political parties in a given country are closed and very hierarchical, the rise of amateurs is unlikely but the emergence of mavericks creating their own political movements is possible. On the contrary, when political parties are very open to newcomers, the rise of mavericks is less likely but the emergence of amateurs is possible. In this article, I focus on explaining the rise to political prominence of “full outsiders.”

Theory: The Rise of Outsiders

I draw from works analyzing the shape of the party system and the formation of voters' preferences to build a theory emphasizing the possible causes of outsider success in presidential elections. I also draw from some case studies

		Party Ties	
		Established Party	New Party
Political Experience Prior Political Career	INSIDER		MAVERICK
	AMATEUR		FULL OUTSIDER

Figure 1. Typology of presidential candidates

analyzing the emergence of individual political outsiders in Latin American countries.

Most previous research has focused on the socioeconomic and sociopolitical context that leads to the success of outsiders or antiestablishment parties in presidential elections. For instance, it has been shown that outsiders or minor parties are more successful when support for national political institutions is low (Seligson, 2002b) and when established parties repeatedly fail to address the economic problems of the citizenry (Benton, 2005). My article aims at discovering the institutional design characteristics that contribute to the rise of outsiders by influencing the decision of rational independent challengers to enter the electoral race.

Institutional Design and the Rise of Outsiders

Several institutional design characteristics affect the probability that outsiders will participate in the elections and their likelihood of success. I review these different factors and propose hypotheses on how they affect the appearance of independent candidates. These hypotheses are tested in the empirical section of the article.

The first important factor to consider is the electoral system. Electoral systems regulating the election of the president must determine a threshold of legitimacy considered sufficient for the chief executive to form an authoritative government. Plurality systems allow for a mobile threshold of legitimacy, whereas the majority and mixed systems adopt a rigid threshold of legitimacy (Shugart & Taagepera, 1994). When no candidate achieves this

rigid threshold, a runoff election is organized with the two most voted candidates in the first round. The choice between a plurality and a majority-runoff system has a direct impact on the effective number of presidential candidates (Jones, 1999). In plurality systems, presidential candidates from new or minor parties know that they are not likely to obtain enough votes to win the election. Hence, plurality systems tend to create broad party coalitions behind the front-runner. Minor parties exchange their support in these electoral coalitions for political favors (pork, cabinet posts) after the election. In the same vein, the opposition tends to coalesce behind one principal challenger. On the contrary, majority elections in two rounds discourage the coalescence of political forces. Even minor parties that have minimal chances of winning the election participate. When they are eliminated from the race, the losing candidates have more leverage to negotiate their support in the second round against political privileges after the election (Shugart & Carey, 1992; Shugart & Taagepera, 1994). Moreover, with majority runoff, parties tend to specialize. Some parties enter the electoral race with the objective of winning the second round even though they know they have no chances of winning the first round (Schlesinger & Schlesinger, 1990). Political outsiders tend to rise to power through new and noninstitutionalized parties. As discussed above, this type of party makes a series of calculations before entering the presidential race. I contend that political outsiders are more likely to participate in a presidential election under a majority-runoff system in which they can hope to win the second round even if they are sure to lose the first round. Let us imagine a two-party system disrupted by the rise of an outsider. If an independent candidate makes it to the second round, the losing party may form a strategic alliance with him or her to avoid the victory of the other traditional party. For instance, Schmidt (1996) argues that the rise of an outsider in the 1990 elections in Peru was facilitated by the majority-runoff system, which allowed Fujimori to win the elections despite finishing second in the first round. The incumbent party (APRA) supported Fujimori after being eliminated from the race in the first round. Finally, outsiders may obtain better scores under majority-runoff systems because the voters may issue a warning or a protest vote against the performance of traditional parties without really losing their ballot since they can vote for their preferred candidate in the second round. Such arguments yield the following hypothesis:

Hypothesis 1: Political outsiders are more likely to emerge under majority-runoff systems than under plurality systems.

Another aspect of the rules governing presidential elections that may have an impact on the rise to political prominence of outsiders is the electoral

cycle. In this regard, the main distinction established in the literature is between concurrent and nonconcurrent elections. Concurrent elections occur when presidential and legislative elections take place on the same day. Elections are nonconcurrent when presidential and legislative elections are held on different dates (Jones, 1995). I argue that political outsiders are more likely to emerge under nonconcurrent than under concurrent elections for two main reasons. First, when elections are concurrent, established parties are likely to be much more actively engaged in the campaign since they want to secure as many seats as possible in the legislature. When legislators campaign in their districts, they become indirect agents of the national campaign of the candidate representing their party in the presidential elections. It is harder for political outsiders, lacking a strong political apparatus, to compete with the candidates of established parties when presidential and legislative elections are held simultaneously. Second, concurrent elections have an indirect impact on outsider rise by affecting the number of parties. Several works have shown that the timing of elections has an impact on the number of relevant parties in the nation (Jones, 1994; Mainwaring & Shugart, 1997; Shugart & Carey, 1992). According to these studies, concurrent elections are associated with two-party dominance. On the contrary, nonconcurrent elections increase the number of competing parties. Multiparty systems increase the incentives for outsiders to participate in the elections since they do not need as many votes as in a two-party system to get elected or to reach the second round. At the same time, in a multiparty system voters may be more inclined to vote for an independent candidate because they do not feel that they are wasting their ballot by doing so. The second hypothesis of this article follows from this argument:

Hypothesis 2: Political outsiders are more likely to emerge when presidential and legislative elections are nonconcurrent.

The electoral laws of many Latin American countries include *compulsory voting* provisions. Compulsory voting has been defined as “a system of laws and/or norms, mandating that enfranchised citizens turn out to vote, and usually specifying penalties for noncompliance” (Jackman, 2001, p. 16314). Compulsory voting may be related with the rise to political prominence of outsider politicians. According to the “exit, voice, and loyalty” model of political behavior (Hirschman, 1970), disaffected individuals who are not satisfied with the performance of political parties or do not feel represented always have the possibility to “exit” the system by abstaining. Compulsory voting forces all these disaffected citizens—who would otherwise abstain—to participate in the election. These voters with antiparty sentiments may

decide to support political outsiders in the election either because they want to issue a protest vote against traditional parties or because they consider outsiders will perform better than the other party options.⁷ The third hypothesis of this article follows from this discussion:

Hypothesis 3: Political outsiders are more likely to emerge when voting is compulsory.

Siavelis and Morgenstern (2008) identify another institutional variable that is possibly related to the rise of outsiders or, as they call them, “free-wheeling independents”: reelection provisions. Many Latin American countries have recently adopted reelection provisions (Argentina, Brazil, Colombia, Peru, and Venezuela). Until now, all incumbent presidents seeking reelection have been successful. Incumbents have an advantage because they can distribute pork and because they have easier access to state resources and more exposure in the media. It follows from this argument that reelection provisions should discourage outsiders from participating in presidential elections. The following hypothesis follows from this argument:

Hypothesis 4: Political outsiders are more likely to emerge in countries that ban reelection.

Alternative Explanations of the Rise of Outsiders

Factors that are not related to the institutional design can also affect the likelihood of success of political outsiders by having an impact on the strategic choices of both candidates and voters. I integrate these variables into my statistical model as control measures.

First, the rise of outsiders may be related to socioeconomic factors. The classical retrospective voting literature predicts that voters will punish incumbent parties in times of economic crisis (Fiorina, 1981). In addition to explaining how the vote is distributed among the established parties, a pervasive economic crisis may contribute to the rise of outsider politicians. According to Mayorga (2006), socioeconomic problems constitute a “critical context” for the success of outsiders in the Andean countries. Corrales (2008) argues that voters suffering from economic anxieties are more prone to support newcomers in presidential elections. His empirical analysis shows that outsiders tend to be more successful when the level of inflation is high. In a similar vein, Benton (2005) argues that Latin American citizens have developed long and sophisticated economic memories. When both

incumbent and nonincumbent traditional parties are blamed for economic hardship, voters are more likely to vote for small parties or outsider candidates to punish all the established political parties.

Another key factor that may explain the rise of political outsiders is the weakness of party systems. In strong and institutionalized party systems, political parties develop strong roots in society and there is a considerable degree of stability in party competition (low electoral volatility). Moreover, the existing political parties are seen as legitimate by voters. Finally, strong party systems are characterized by the existence of solid party organizations independent of individual leaders (Mainwaring & Scully, 1995). A stable party system with political parties that have developed strong ties with society makes the rise of a political outsider unlikely since voters feel attached to (and represented by) the existing parties. In the same vein, strong party organizations create obstacles for the rise of political outsiders within established parties. According to some scholars, the decline of the party system is the main explanation for the emergence of outsider and populist politicians (Mayorga, 2006). The party system decline arrives as a consequence of the governability crisis created by the inability of traditional parties to deal with socioeconomic problems. This situation leads to a phase of detachment of parties vis-à-vis society and to their internal weakening because of their inability to change and to adapt to different structural conditions (Levitsky & Cameron, 2003; Tanaka, 1998). Roberts (2007) provides a more structural explanation of the crisis of mass-based parties in Latin America. He argues that the combination of economic decline and sweeping market reforms in the postdemocratization era "weakened the mass-based party and labor organizations of the ISI era, opening political space for outsiders" (Roberts, 2007, p. 5). In fact, the crisis of party systems paves the way for the rise of political outsiders not connected with traditional and institutionalized parties, directly appealing to unorganized mass constituencies.⁸

There is also a structural factor that may affect the likelihood of outsider success: ethnic heterogeneity. In fact, a society deeply divided along ethnic lines may increase the probability of the rise of an outsider representing (or claiming to represent) the indigenous groups. Madrid (2005) shows that indigenous populations have lagged behind the rest of the population according to different indicators of socioeconomic status, such as income, education, and life expectancy. Thus, in all likelihood, indigenous populations do not feel well represented by traditional catchall parties and they may "switch their votes particularly frequently since they have little reason to establish enduring ties to political parties that fail to cater to their needs" (Madrid, 2005, p. 3). Hence, ethnic heterogeneity is likely to increase electoral

volatility. This instability, in turn, paves the way for the rise of outsiders who appeal to these disadvantaged and unrepresented indigenous populations.

The rise of political outsiders may also result from the legitimacy crisis affecting traditional political parties and other political institutions in Latin American countries. Dissatisfaction with political institutions in Latin America is very high. A 2004 report from the United Nations Development Programme showed that Latin American countries are suffering from a severe crisis of confidence. This legitimacy crisis affects all political institutions, but the most mistrusted institution is undoubtedly political parties. Data from the Latinobarómetro surveys between 1995 and 2006 show that political parties are the least trusted institution among a long list of political and private institutions in Latin America. Only 19% of respondents express support for political parties in the region (Lagos, 2008). The widespread legitimacy crisis has been explained in terms of the gap between citizens' expectations in Latin American countries and actual performance by the governments in the region (Hagopian, 2005). Political independents may provide an electoral option to citizens who have lost faith in political institutions and political parties. In many cases, political outsiders gain prominence by using an antiestablishment and antiparty discourse.

The issue of corruption is related to the legitimacy crisis. In his study of the impact of corruption on regime legitimacy in Latin America, Seligson (2002a) demonstrates that exposure to corruption leads to an erosion of political support. This disenchantment with political institutions may pave the way for the rise of political outsiders, who criticize corrupt practices and promise to fight against corruption if they are elected.

Research Design

Data

The level of analysis in this article is presidential elections in Latin America in the period between 1980 and 2010. The election results were obtained from online sources including the Elections Results Archive of Binghamton University, the Election Guide of the International Foundation for Electoral Systems, and Adam Carr's Election Archive. I include elections only in periods when countries had a Polity IV score equal to or higher than 6.⁹

The dependent variable in this study is the percentage of votes captured by outsiders during the aforementioned elections. In the only previous example of an empirical analysis seeking to explain the success of outsiders in presidential elections across the region, Corrales (2008) focuses

exclusively on candidates who obtained more than 10% of the vote. My article lowers this threshold since I obtained biographical information on all presidential candidates who obtained more than 5% of the vote. I do not take into account the candidates who obtained less than 5% of the vote to exclude the nonviable candidates who run knowing that their likelihood of success is minimal or inexistent. In a seminal contribution, Schlesinger (1994) argues that his theory of political parties “is applicable only to those parties that have a realistic chance of winning elections over time” (p. 7). My theory of the rise of outsiders similarly applies only to candidates who realistically hope to rise to political prominence by obtaining significant support in presidential elections and not to those who seek other goals (personal prestige or psychological rewards).¹⁰ I consider that using the 5% threshold is the best way to distinguish between relevant outsiders and trivial newcomers. The dependent variable in the empirical analysis comes from an original database on political outsiders in Latin America (see Appendix A and Appendix B). Only “full outsiders” are included in the analysis. Thus, I code as an outsider any candidate who has no previous political experience *and* comes from outside of the established party system. A problematic issue is how to code politicians who after running as outsiders in one presidential election also participate in the subsequent presidential elections. Two extreme positions would be to consider this type of politician as an outsider only in the first election or in all the subsequent elections. Here, I adopt a middle ground and consider outsiders as such only in their first two presidential bids. After two candidacies to the presidency, we can safely characterize a political leader as an insider. To create the database of political outsiders in Latin America, I collected information from many online sources. To gather information on successful candidates, I used mainly the online collection of political biographies provided by the Centro de Investigación de Relaciones Internacionales y Desarrollo. Others sources used (especially to gather information on unsuccessful candidates) include the Biography Reference Bank, the Biography and Genealogy Master Index, LexisNexis Academic, ProQuest Newsstand, and the *New York Times* online archive. I also used the *Encyclopedia of Latin American History and Culture* (Kinsbruner & Langer, 2008).

The independent variables related to institutions come from existing databases. The data concerning the type of rules in place for the election of the president (plurality vs. majority-runoff) were obtained through a database built by Pérez-Liñán (2006) for his study on this issue. The data on compulsory vote were obtained from the IDEA compulsory voting database available online.¹¹

To control for the effect of economic crisis on the rise of outsiders, I include a variable measuring the mean 3-year GDP growth (2 years prior to election year plus the election year) coming from data in Maddison (2010). The growth rates for the past 3 years were obtained from the last edition of the CIA World Factbook available online.¹² I also control for inflation, which may have an independent impact on the rise of outsiders, regardless of economic growth. The inflation data come from CEPALSTAT (the online database of the Economic Commission for Latin America and the Caribbean, a UN institution). I used the variations in the consumer prices index (annual average) as my measure of inflation. The data on ethnic heterogeneity were taken from the fractionalization data set compiled by Alesina, Devleeschauwer, Easterly, Kurlat, and Wacziarg (2003).

The data to test the legitimacy crisis argument were obtained from different sources. First, I use age of democracy (i.e., number of years since Polity IV score has been greater than 6) as a proxy to test whether citizens become disillusioned with political parties when they cannot fulfill the expectations created by democratization. I operationalize perception of corruption by assigning a fixed number to each country, averaging the values of the corruption perception index the countries received between 1995 and 2009.¹³ This index goes from 0 to 10, and a higher level means less corruption. It was reversed for the purposes of this data analysis, so that a higher level reflects more corruption rather than less.

Finally, I added a measure of the lagged performance of outsiders (percentage of votes captured by full outsiders in the previous election) since the success of outsider candidates may be overdetermined by the previous rise of an independent candidate who destabilized the party system.¹⁴

Model Estimation

The analysis of pooled cross-sectional time-series data is challenging since ordinary least squares (OLS) assumptions of homoscedasticity and uncorrelated error terms are likely to be violated (Stimson, 1985). Although OLS estimates are unbiased in the presence of autocorrelation, these estimates are not efficient, which may contaminate tests of statistical significance.

To overcome these problems, I assessed the impact of different institutional and contextual factors on the rise of political outsiders through a series of panel analyses.¹⁵ First, I run the fixed effects and the random effects models. Then, I performed the Hausman test, which produced a highly significant test statistic ($\text{Prob} > \chi^2 = .000$). Hence, I rejected the random effects model and

continued to work with the fixed effects setup. However, fixed effects models cannot estimate the effect of time-invariant variables and produce very inefficient estimates of variables that rarely change. When such variables are introduced in the model as independent variables, “the fixed effect will soak up most of the explanatory power of these slowly changing variables. Thus, if a variable . . . changes over time, but slowly, the fixed effects will make it hard for such variables to appear either substantively or statistically significant” (Beck, 2001, p. 285). The fixed effects variance decomposition (FEVD) estimation technique developed in Plümper and Troeger (2007) is designed for panel data on independent variables that rarely or never change through time. As my main independent variables are institutional factors that change very slowly, this estimation technique is appropriate.

As a final step, I estimated two more models to assess the robustness of my previous results. Serially correlated errors can lead to an incorrect estimation of panel data models. In this case, the problem is not likely to be very damaging because of the irregular nature of the time-series aspect of the research design (one observation per presidential election). However, I conducted a Wooldridge test for autocorrelation in panel data, which provided a significant test statistic ($\text{prob} > F = .02$), suggesting that autocorrelation may affect some of the results. Hence, I run the FEVD model incorporating an AR(1) (first-order autoregressive) correction as a robustness check. Finally, I performed a modified Wald test for groupwise heteroscedasticity in fixed effects models, which produced a significant test statistic ($\text{prob} > \chi^2 = .00$), suggesting that there is heteroscedasticity across units (countries).¹⁶ Then, as another robustness check, I run the FEVD procedure with panel corrected standard errors in the third stage. If the results of the basic FEVD model are robust to the incorporation of these corrections, we can be confident about their robustness.

Results

I estimated the impact of institutional, economic, structural, contextual, and attitudinal factors on the rise of political outsiders with a series of panel data models including data from an original data set on political outsiders in Latin America (see Table 1).

The results provide support for three of the four hypotheses advanced in this article. The results run against the conventional wisdom that plurality electoral systems are more stable and less likely to foster the creation of new political forces built by political outsiders. The coefficient for this variable does not reach statistical significance in any model, which suggests that the

Table 1. Panel Data Models: Determinants of Vote for Outsiders in Presidential Elections in Latin America (1980–2010)

Dependent variable: % of vote captured by outsiders in presidential elections	Model 1 (FEVD model)	Model 2 (FEVD model with AR(1) correction)	Model 3 (FEVD Model with PCSE)
	Coeff. (SE)	Coeff. (SE)	Coeff. (SE)
Runoff	-4.15 (3.15)	-6.55 (4.29)	-4.15 (4.35)
Concurrent elections	-8.10** (3.90)	-8.39** (4.13)	-8.10* (4.64)
Compulsory vote	8.18** (2.50)	7.42*** (1.34)	8.18*** (1.57)
Incumbent running	-8.53* (4.36)	-8.25** (3.06)	-8.53* (4.65)
GDP growth	0.37 (0.47)	0.66 (0.40)	0.37 (0.33)
Inflation	5.87** (1.69)	3.99** (1.61)	5.87** (2.21)
Ethnic heterogeneity	19.63** (7.42)	26.29*** (5.29)	19.63** (8.82)
Age of democracy	0.39*** (0.08)	0.12 (0.19)	0.39* (0.21)
Corruption	4.29** (1.31)	3.02** (0.85)	4.29*** (0.96)
Lagged vote for outsiders	-0.09 (0.11)	-0.07 (0.07)	-0.09 (0.24)
Number of groups (countries)	17	17	17
Number of observations	92	75	92
R ²	.64	.73	.64

AR(1) = first-order autoregressive correction; FEVD = fixed effects variance decomposition; PCSE = panel-corrected standard errors.

* $p < .1$, two-tailed. ** $p < .05$, two-tailed. *** $p < .01$, two-tailed.

share of votes captured by outsiders is not influenced by the electoral formula. In other words, the incentives structure of presidential candidates does not seem to operate in the way suggested by the literature (Shugart & Carey, 1992; Shugart & Taagepera, 1994). In unstable and volatile party systems,

potential presidential candidates may even be encouraged to participate when they only need a plurality of the votes to win.

The results strongly support the hypothesis that holding presidential and legislative elections concurrently reduces the likelihood of success of outsider candidates. Based on the regression results of the FEVD model, holding elections concurrently reduces the share of votes obtained by outsiders by about 8.1% (Model 1). In other words, the likelihood of outsider success is significantly reduced when elections are held at the same time. In fact, traditional parties are likely to be omnipresent during political campaigns if multiple positions are at stake, thereby leaving less space for newcomers in the political arena.

The hypothesis on compulsory voting is also strongly supported by the data. As hypothesized, compulsory voting significantly increases the likelihood of outsider success. According to the results, when voting is compulsory, the share of votes obtained by outsider candidates increases by about 8%. As mentioned above, this may be linked to the fact that unmotivated and dissatisfied citizens are nonetheless obliged to vote, which increases the likelihood of support for independent candidates who attack the corruption and inefficiency of traditional political parties. This finding calls into doubt the conventional wisdom that higher turnout is always better. Forcing unmotivated citizens out of their houses appears to contribute to the electoral success of outsider candidates.

The final institutional hypothesis held that outsiders are less likely to rise when presidential reelection is permitted. Presidents have an incumbency advantage because they can mobilize pork and state resources, which may discourage the participation of political outsiders and reduce the share of votes captured by outsiders if independent candidates participate in the election. Again, the model confirms my theoretical expectation. When incumbent presidents participate in the election, the percentage of votes obtained by outsiders is likely to decrease by about 8%, a magnitude similar to those of the other two primary independent variables.

Despite the loss of some observations in Model 2 and the incorporation of corrections for first-order autocorrelation and for panel heteroscedasticity in Models 2 and 3, the three institutional variables that work as predicted in the basic FEVD model keep the expected sign and remain statistically significant in the robustness models.

As for the control variables, the most surprising finding is that GDP growth is unrelated with outsider success in Latin American presidential elections.¹⁷ This null finding probably reflects the fact that GDP growth is

often a poor predictor of citizens' satisfaction with economic performance. In many Latin American countries, some sectors of the population do not reap the benefits of economic growth. Uneven growth may lead those who are left out of the prosperity to vote for political outsiders who claim to represent their grief. On the contrary, inflation appears in most of the models as a strong predictor of the rise to political prominence of political outsiders. This variable is robust to the PCSE correction. This finding is in line with previous research showing the salience of inflation in the political choices of Latin American citizens (Weyland, 2002). The statistical results then suggest that economic growth does not ensure the stability of the party system, especially if it is accompanied by inflation or by an increase in poverty.¹⁸

Ethnic fractionalization increases the likelihood of outsider success in Latin America. In purely fractionalized societies, political outsiders would obtain 20% more votes than in purely homogeneous societies. Although these two extremes do not exist, the results suggest that political outsiders are much more likely to rise to political prominence in deeply divided societies.

The relationship between the emergence of outsiders and previous outsider success is not confirmed by the data. This result appears to suggest that there is not path dependence in the performance of presidential candidates in Latin America. On one hand, outsiders may emerge in contexts, such as Venezuela, where candidates from traditional parties have competed successfully for a long time. On the other hand, the meteoric rise of an outsider may lead the traditional political class to react in order to avoid the emergence of another outsider. The case of Brazil after the victory of Collor de Mello in 1989 exemplifies this latter pattern.

The crisis of legitimacy is often hailed as one of the most serious obstacles to democratic consolidation in Latin America. Dissatisfaction with democratic institutions should materialize over time, when it becomes clear that the high expectations brought about by democratization are not fulfilled by democratic regimes. The age of democracy is a good proxy for this effect. Each additional year since the democratic transition increases the probability of voting for outsider candidates by 0.39%.¹⁹ Traditional political parties may enjoy a certain prestige after authoritarian regimes, and they may be legitimized by their contribution to the democratic transition. But as the socioeconomic expectations associated with the democratic transition are disappointed, and as new generations of voters participate in the elections, the likelihood of voting for outsider politicians in presidential elections gradually increases.

The legitimacy crisis of Latin American democracies appears to be aggravated by the widespread corruption in the region. According to the statistical

results, corruption is positively associated with the performance of outsiders in presidential elections. This finding is not surprising in light of the efforts made by many outsider politicians to denounce the corrupt practices of traditional political parties.

Discussion and Conclusions

The first conclusion to be drawn from this article is that institutional design makes a difference. Previous research focused on the sociopolitical and socioeconomic factors that lead to the rise of political outsiders in Latin America. According to this literature, political outsiders emerge as a result of the repeated policy failures of the existing parties. As political actors are unable to provide economic and public security and to combat corruption effectively, Latin American citizens abandon traditional parties and prefer to vote for independent candidates. The findings of this article suggest that the policy failures and the legitimacy crisis of existing parties are necessary but not sufficient conditions for the rise of political outsiders.

Outsider challengers are not less rational than career politicians. Independent candidates evaluate the costs of running and the likelihood of victory before entering the race. They participate in presidential elections only when there are limited barriers for entry and when the possibility of success (however defined) exists.

This article casts doubts on the conventional wisdom that a plurality system automatically decreases the number of presidential candidates. In a highly uncertain and volatile electoral environment, such as the one that exists in many Latin American countries, a plurality system may not discourage the participation of political outsiders. The rest of my findings are more in line with what the literature suggests. When elections are concurrent, the electoral campaigns tend to be dominated by the strongest parties, which are likely to be very active in the whole country in order to gain as many seats in the legislature as possible, thereby limiting the possibilities of political outsiders who do not have a strong apparatus to back their campaigns. On the contrary, nonconcurrent elections are more personalistic, and independent candidates with limited resources are more likely to make a breakthrough.

In the same vein, independent candidates tend not to trifle away their political capital by participating in presidential elections in which the incumbent runs for reelection. As incumbents have a clear advantage during the campaign because they have easier access to the media and can engage in clientelistic practices, outsider challengers are less likely to run.

Finally, compulsory voting has an impact on the share of votes obtained by outsiders by affecting the voting behavior of the electorate. When dissatisfied citizens—who would otherwise abstain—are obliged to turn out and vote, they tend to express their disenchantment by voting for political outsiders with an antiestablishment discourse. If outsider challengers perceive this effect, they are also more likely to participate when compulsory voting rules exist, especially if they are enforced.

The analysis in this article assesses the impact of institutional design characteristics on the rise of outsiders in presidential elections in Latin America. All these variables rarely change over time, but my model shows that the prevalence of outsiders in Latin America is increasing. In fact, the age of democracy variable is positive and statistically significant, perhaps counter to what some analysts expect. What my analysis shows is that the rise of outsiders is not automatic and that it is mediated by a series of institutional factors that can prevent or facilitate this phenomenon. As suggested above, the age of democracy variable probably captures the increasing legitimacy crisis affecting Latin American countries. It may also be a proxy for the weakening of traditional parties in the region in the last two decades—especially in the Andean countries—which allows independent candidates to obtain better scores in presidential elections. In any case, the positive and significant coefficient for the variable measuring democracy age is intriguing and warrants further investigation to uncover the exact reasons that lead to the increased prevalence of outsiders.

This study opens many other avenues for further research. First, it would be interesting to study the rhetoric of political outsiders to assess whether there are common patterns in the political style of political independents. Second, it is worth exploring whether some of the warnings related to the rise of outsiders raised by the literature on presidentialism are justified. It is also important to know more about the political and economic consequences of the victory of outsiders in the region (e.g., cabinet composition when outsider presidents are elected, or policies implemented by outsiders).

Appendix A

Outsiders in Latin America (1980–2010)

Outsiders in Latin America (1980–2010)			
Country	Full outsiders	Mavericks	Amateurs
Argentina	2003: Ricardo López Murphy (RECREAR): 16.35%	1995: José Octavio Bordón (PJ → Frepaso): 29.2% 1999: Domingo Cavallo (PJ → AR): 10.09% 2003: Elisa Carrió (UCR → ARI): 14.15% 2007: Elisa Carrió (UCR → ARI): 22.95% Roberto Lavagna (PJ → UNA): 16.88%	
Bolivia	1989: Carlos Palenque (CONDEPA): 12.25% 1993: Carlos Palenque (CONDEPA): 14.29% Max Fernández (UCS): 13.77% 1997: Ivo Mateo Kuljis (UCS): 16.11% 2002: Evo Morales (MAS): 20.94% Felipe Quispe (MIP): 6.09%	1993: Antonio Aranibar Quiroga (MIR → MBL): 5.36% 2005: Jorge Quiroga Ramírez (ADN → PODEMOS): 28.6% Samuel Doria Medina (MIR → UN): 7.8% 2009: Samuel Doria Medina (MIR → UN): 5.65%	2005: Michiaki Nagatani Morishita (MNR): 6.5%
Brazil	1989: Fernando Collor de Mello (PRN): 28.52% 1994: Enéas Canneiro (PRONA): 7.38%	2006: Heloísa Helena (PSOL): 6.8%	
Chile	1989: Francisco Javier Errázuriz (UCCP): 15.43% 1993: José Piñera Echenique (Independent): 6.1% Manfred Max-Neef (Independent): 5.6%	2009: Marco Enríquez-Ominami (PS → Independent): 20.14% Jorge Arrate Mac-Niven (Concertación → Juntos Podemos Más): 6.21%	
Colombia	1990: Antonio Navarro Wolff (Alianza Democrática M-19): 12.43%	1982: Luis Carlos Galán (PL → Nuevo Liberalismo): 10.9% 1990: Álvaro Gómez Hurtado (PC → MSN): 23.71% 1998: Noemí Sanín (PC → Sí Colombia): 26.88% 2002: Álvaro Uribe Vélez (PL → Primero Colombia): 54.51%	

(continued)

Appendix A (continued)

Outsiders in Latin America (1980–2010)			
Country	Full outsiders	Mavericks	Amateurs
Costa Rica		2002: Ottón Solís (PLN → PAC): 26.16% 2006: Ottón Solís (PLN → PAC): 39.8%	
Ecuador	1988: Abdala Bucaram (PRE): 17.61% Frank Vargas Pazzos (APRE): 12.63% 1996: Freddy Ehlers (Movimiento Nuevo País): 20.61% 1998: Freddy Ehlers (Movimiento Nuevo País): 14.75% 2002: Lucio Gutiérrez (PSP): 20.32% 2006: Rafael Correa (Alianza País): 22.84% Gilmar Gutiérrez (PSP): 17.42%	1982: Francisco Huerta Montalvo (PL → PD): 6.64% 1992: Sixto Durán Ballén (PSC → PUR): 31.88% 1998: Rosalía Arteaga (PRE → MIRA): 5.07% 2002: Álvaro Noboa (PRE → PRIAN): 17.4%	1998: Álvaro Noboa (PRE): 26.61%
El Salvador			2004: Antonio Saca (ARENA): 57.73% 2009: Mauricio Funes (FMLN): 51.32%
Nicaragua	1990: Violeta Chamorro (UNO): 54.73% 2006: Edmundo Jarquín Calderón (MRS): 6.3%	2006: Eduardo Montealegre (PLC → ALN-PC): 28.3%	
Panama	1994: Rubén Blades (Movimiento Papa Egoró): 17.1%	1999: Alberto Vallarino (PA → PRC): 17.38% 2004: Guillermo Endara Galimany (PA → PS): 30.86% Ricardo Martinelli (PRD - PA → PCD): 5.31%	

(continued)

Appendix A (continued)

Outsiders in Latin America (1980–2010)			
Country	Full outsiders	Mavericks	Amateurs
Paraguay	1993: Guillermo Caballero (EN): 23.04% 2003: Pedro Fadul (MPQ): 21.96% 2008: Fernando Lugo (APC): 42.3% Lino Oviedo (UNACE): 22.8%	2003: Guillermo Sánchez Guffanti (PC → UNACE): 13.9%	
Peru	1990: Mario Vargas Llosa (FREDEMO): 33% Alberto Fujimori (Cambio 90): 29% 2001: Alejandro Toledo (PP): 36.5% 2006: Ollanta Humala (UPP): 30.06%		
Uruguay		1989 : Hugo Batalla (FA → Nuevo Espacio): 9.01%	
Venezuela	1993: Andrés Velásquez (La Causa Radical): 21.95% 1998: Hugo Chávez (MVR): 56.20% Henrique Salas Römer (Proyecto Venezuela): 39.97% 2000: Francisco Arias Cárdenas (Independent): 35.75%	1993: Rafael Caldera (COPEI → CN): 30.46%	

Appendix B

Glossary of Latin American Party and Coalition Names

Argentina

PJ	Partido Justicialista
AR	Acción por la República
RECREAR	Recrear para el Crecimiento
ARI	Afirmación para una República Igualitaria
UCR	Unión Cívica Radical
UNA	Una Nación Avanzada

Bolivia

CONDEPA	Conciencia de Patria
UCS	Unión Cívica Solidaridad
MIR	Movimiento de la Izquierda Revolucionaria
MBL	Movimiento Bolivia Libre
MAS	Movimiento al Socialismo
MIP	Movimiento Indígena Pachakuti
ADN	Acción Democrática Nacionalista
PODEMOS	Poder Democrático y Social
UN	Unidad Nacional
MNR	Movimiento Nacionalista Revolucionario

Brazil

PRN	Partido da Reconstrução Nacional
PRONA	Partido de Reedificação da Ordem Nacional
PSOL	Partido Socialismo e Liberdade

Chile

UCCP	Unión del Centro Centro Progresista
PS	Partido Socialista

Colombia

PL	Partido Liberal
PC	Partido Conservador
MSN	Movimiento de Salvación Nacional

Costa Rica

PLN	Partido Liberación Nacional
PAC	Partido Acción Ciudadana

Ecuador

PL	Partido Liberal
PD	Partido Democrático

(continued)

Appendix B (continued)

PRE	Partido Roldosista Ecuatoriano
APRE	Acción Popular Revolucionaria Ecuatoriana
PSC	Partido Social Cristiano
PUR	Partido Unión Republicana
MIRA	Movimiento Independiente para una República Auténtica
PSP	Partido Sociedad Patriótica 21 de Enero
PRIAN	Partido Renovador Institucional de Acción Nacional
El Salvador	
ARENA	Alianza Republicana Nacionalista
FMLN	Frente Farabundo Martí de Liberación Nacional
Nicaragua	
UNO	Unión Nacional Opositora
PLC	Partido Liberal Constitucionalista
ALN-PC	Alianza Liberal Nicaragüense
MRS	Movimiento de Renovación Sandinista
Panama	
PA	Partido Arnulfista
PRC	Partido Renovación Civilista
PS	Partido Solidaridad
PRD	Partido Revolucionario Democrático
CD	Cambio Democrático
Paraguay	
EN	Encuentro Nacional
MPQ	Movimiento Patria Querida
PC	Partido Colorado
UNACE	Unión Nacional de Ciudadanos Éticos
APC	Alianza Patriótica para el Cambio
Peru	
FREDEMO	Frente Democrático
PP	Perú Posible
UPP	Unión por el Perú
Uruguay	
FA	Frente Amplio
Venezuela	
COPEI	Partido Social Cristiano de Venezuela
CN	Convergencia Nacional
MVR	Movimiento Quinta República

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Notes

1. The four outsider Latin American presidents are Fernando Lugo in Paraguay, Evo Morales in Bolivia, Rafael Correa in Ecuador, and Hugo Chávez in Venezuela.
2. In his recent work, Hawkins (2009, 2010) proposes an interesting way of measuring populist discourse through content analysis. However, his approach is not applicable to my research since it is almost impossible to obtain campaign speeches delivered by all candidates in presidential elections in Latin American countries in the period 1980–2010.
3. Both Antonio Saca and Mauricio Funes were popular radio and TV hosts who were recruited by the strongest parties in the country to run as presidential candidates.
4. In another important respect, the approach of Samuels and Shugart (2010) is too narrow because they exclude unsuccessful candidates from their analysis. My article includes unsuccessful candidates because it is interesting to understand the factors that lead to the rise to political prominence of outsiders (even if they lose presidential elections) since independent candidates can destabilize the party system and create a high degree of electoral volatility.
5. The term *maverick* was first used to refer to party renegades by Barr (2009).
6. I borrow the term *amateur* from David Canon’s work on political amateurs in the U.S. Congress (Canon, 1990, 1993).
7. In the same vein, compulsory voting may affect the electoral fortunes of third parties, as has been shown in a recent study (Bélanger, 2004). My argument in

the previous paragraph is an adaptation of the argument Bélanger (2004) makes about third parties.

8. This argument leads to a potential endogeneity problem since the rise of outsiders is also one of the factors that accelerate the decomposition of the party system (Dietz & Myers, 2007).
9. Included in the sample are the elections in Argentina (1983, 1989, 1995, 1999, 2003, 2007), Bolivia (1985, 1989, 1993, 1997, 2002, 2005, 2009), Brazil (1989, 1994, 1998, 2002, 2006), Chile (1989, 1993, 1999, 2005, 2009), Colombia (1982, 1986, 1990, 1994, 1998, 2002, 2006), Costa Rica (1982, 1986, 1990, 1994, 1998, 2002, 2006, 2010), the Dominican Republic (1982, 1986, 1990, 1996, 2000, 2004, 2008), Ecuador (1979, 1984, 1988, 1992, 1996, 1998, 2002, 2006), El Salvador (1989, 1994, 1999, 2004, 2009), Honduras (1989, 1993, 1997, 2001, 2005, 2009), Mexico (2000, 2006), Nicaragua (1990, 1996, 2001, 2006), Panama (1994, 1999, 2004, 2009), Paraguay (1993, 1998, 2003, 2008), Peru (1980, 1985, 1990, 2001, 2006), Uruguay (1989, 1994, 1999, 2004, 2009), and Venezuela (1983, 1988, 1994, 1998, 2000, 2006).
10. The rise to political prominence of political outsiders in presidential elections is a function of two sets of factors: first, structural factors that contribute to the success of outsiders once they enter the electoral race; second, strategic factors that affect the decision of independent candidates to participate in the elections. The dependent variable used in this study (share of votes obtained by full outsiders) captures both types of factors. Indeed, the high scores obtained by independent candidates reflect the fact that serious outsider challengers decide to participate in the elections.
11. See http://idea.int/vt/compulsory_voting.cfm.
12. See <https://www.cia.gov/library/publications/the-world-factbook/>.
13. The Corruption Perceptions Index is released annually by Transparency International. It measures the perceived level of public-sector corruption in 180 countries and territories around the world.
14. Levitsky and Cameron (2003) show that after the success of Fujimori, Peruvian politicians quickly learned that they no longer needed political parties to advance their political careers, which led to an explosion of independent candidates in different elections at the national, regional, and municipal levels. Gutiérrez Sanín (2007) uses a similar argument to explain the recent emergence of independent candidates in Colombia.
15. The methodology recommended by Beck and Katz (1996; i.e., panel-corrected standard errors with a lagged dependent variable in the specification of the model) is inappropriate for these data. First, the panel is very unbalanced. Second, the cross units (countries) significantly outnumber the time points. Third,

- lagged dependent variables are generally inappropriate for models that include time-invariant or rarely changing explanatory variables (Achen, 2001).
16. The last two estimators mentioned (Wooldridge test and modified Wald test) are available through the “xtserial” and the “xttest3” commands in Stata 10.0.
 17. Hawkins (2010) suggests that growth becomes a good predictor of the rise of populist politicians only when it is combined with perception of corruption. In this case, however, the growth variable remains insignificant when it is interacted with the variable measuring perception of corruption and with the different institutional variables. The results of these models are available on request.
 18. I also tried *per capita* GDP growth instead of GDP growth, but the results did not change. The variable measuring growth remains an insignificant predictor of the rise of outsiders. The results of this model are not reported but are available on request.
 19. This finding is robust when I leave out of the analysis the countries that were democratic at least since the 1960s (Colombia, Costa Rica, and Venezuela) and have much higher values than the rest of the countries for this variable.

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