The Political Consequences of Territorial Reforms: Voting for Right-wing Populist Parties after Municipal Mergers in Switzerland?*

Michael A. Strebel

Institute of Political Studies
University of Lausanne
Géopolis | Quartier UNIL-Mouline
CH-1015 Lausanne
michael.strebel@unil.ch

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Abstract

Territorial reforms have consequences for political attitudes and behavior. Numerous quasi-experimental studies demonstrate the negative effects of municipal mergers on local turnout, trust in local government, and satisfaction with local democracy. A much less explored phenomenon is the impact of municipal mergers on vote choice. The few existing studies show that support for right-wing populist parties increases in municipalities that have been subject to territorial reforms. Yet, we know little about the mechanism behind this effect. This paper fills this gap by analyzing the impact of municipal merger processes on voting for the Swiss People’s Party from 1999-2019. Swiss municipal merger projects are decided on in local referenda and we can thus compare i.) municipalities that implemented a merger, ii.) municipalities that rejected a merger in a popular vote, and iii.) municipalities not involved in merger projects. Difference-in-differences estimations across these three groups allow to assess a.) whether right-wing populist support increases only in cases of implemented mergers – and thus corresponds to a size mechanism, or b.) whether this effect is also present in cases of cancelled mergers – pointing to a salience mechanism, whereby right-wing populist parties can mobilize localist voters independently of the reform outcome. The results support neither of the two arguments. To the contrary, under certain conditions right-wing populist parties seem to lose on the short term after municipal mergers. Voluntary municipal mergers thus seem to be more immune to the political repercussions of territorial reforms than forced mergers and might even strengthen more progressive forces.

Keywords: Amalgamation, Local Government Reform, Populism, Political Behavior, Difference-in-Differences, Political Party

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1 Introduction

The appropriate size of political jurisdictions has been subject to continuous debate. While larger jurisdictions arguably have a heightened capacity to govern and produce outputs, smaller jurisdictions are preferred for their capacity to consider citizens’ preferences in decision-making processes (Dahl and Tufte 1974; Alesina and Spolaore 2003). In recent years, numerous studies have assessed whether this general statement holds by exploiting quasi-experimental situations, where some jurisdictions experience sudden increases in size due territorial reforms, and others do not. In a nutshell, these studies find that governance does not become more efficient after territorial consolidation reforms (Blom-Hansen et al. 2016; Blesse and Rösel 2017). At the same time, there is robust evidence that the quality of democracy suffers from such reforms. Turnout, satisfaction with democracy, and citizens’ feeling of internal political efficacy decrease in jurisdictions that underwent a merger (Lassen and Serritzlew 2011; Hansen 2015; Koch and Rochat 2017).

While many scholars have assessed the effect of territorial reforms on political participation, their effects on other behavioral aspects, such as vote choice, remain understudied. Recently, however, a few studies have assessed the effects of territorial reforms and of centralizing decision-making authority on the success of right-wing populist parties. They all find that right-wing populist parties are more successful in jurisdictions that underwent such reforms. However, they disagree about the mechanism that is at play. Rösel (2016), Rösel and Sonnenburg (2016), Rösel (2017), and Blesse and Rösel (2018) argue that the success of right-wing populist parties in consolidated jurisdictions is the result of a “protest vote” due to an increased distance to political decision-makers and to a decrease in individual political influence. This rationale follows the classical argument on size and democracy. By contrast, Fitzgerald (2018, ch. 6) makes an argument about the salience of local politics. Local territorial reforms put the local at the center of citizens’ attention. Fitzgerald (2018) argues that this benefits right-wing populist parties, because they employ a localist discourse and thus appeal to localist voters. When such reforms are discussed, these parties thrive, because they can mobilize based on their localist discourse. This argument suggests that – rather than due to change in jurisdiction size or authority reallocation – the observed changes in collective political behavior are due to mobilization and issue salience.

Knowing which of the two mechanisms is at play is important for policy-makers and politicians alike. Does a backlash effect occur because of the reform itself or merely because local politics is salient? If the latter is the case, policy-makers have to be extremely careful how and when they discuss such issues. However, none of these studies allows to shed light on this mechanism, since they all deal with implemented reforms. It is thus
impossible to disentangle the salience from the size mechanism.

Voluntary municipal mergers in Switzerland offer a possibility to resolve this puzzle. Unlike in the cases examined to date, Swiss mergers are not imposed by higher government tiers but decided on in local referenda by local constituencies. This means that not all municipal mergers are successful at the ballots and that some of them are thus not implemented. This allows to assess whether a potential increase in vote shares of right-wing populist parties results from the implementation of the reform – and thus from an increase in jurisdiction size – or whether it is due to the heightened salience of local politics. If the former was the case, we would see right-wing populist vote shares increase in municipalities that have implemented mergers but not in municipalities that merely held referendums on merger projects which then did not reach sufficient approval in the final vote. If the latter is the case, we would find an effect in both groups – compared to municipalities that were never involved in a merger project.

Between 1999 and 2019, 14 Swiss cantons witnessed a total of 397 voluntary municipal merger projects, 102 of which were rejected at the ballots and thus not implemented. To assess the effect of territorial reform (attempts) on right-wing populist support, I match implemented mergers (i.e. coalitions of municipalities) to comparable control coalitions composed of municipalities which did not attempt to merge in the same period and I equally match municipalities with an unsuccessful merger attempt to comparable control municipalities. Difference-in-differences estimations show that neither the implementation nor the salience of territorial reform has a significant effect on the vote share of right-wing populist parties in elections to cantonal parliaments. Yet, further analysis suggest that the presence or absence of right-wing populist parties in cantonal governments plays an important role for how local constituencies react to municipal mergers.

2 Territorial Reforms and Right-wing Populist Support

The question of the appropriate size of political jurisdictions has been subject to intense debate among political scientists and economists (Dahl and Tufte 1974; Alesina and Spolaore 2003). In a nutshell, larger jurisdictions are said to be more effective at producing public goods due to scale economies, whereas smaller jurisdictions are said to better realize citizens’ preferences due to lower heterogeneity of the electorate and due to more direct contact to elected representatives. There is thus a trade-off between system capacity and democratic control.

This trade-off materializes in different contexts. Political jurisdictions are frequently subject to governance reforms – e.g. centralization and decentralization – in order to
adapt their structures to functional pressures, but also to political communities’ preferences and demands (Hooghe and Marks 2016). Particularly at the local level, reforms to political jurisdictions are quite common. Many countries have engaged in a territorial restructuring of their local government landscape since the 1950s and usually this meant merging municipalities into larger units (Baldersheim and Rose 2010). These territorial reforms are often highly contested and politicized. Existing studies show that territorial, cultural, and political identities – alongside economic self-interest – play an important role for the success or failure of these reforms if local constituencies have a say on them (Brink 2004; Miyazaki 2014; Lapointe 2018; Strebel 2019).

This paper focuses on the political consequences of these reform processes. More specifically, it asks whether and how the vote choice of local constituencies changes in political jurisdictions that underwent territorial reform processes. Existing studies have shown that vote shares of right-wing populist parties increased in municipalities subject to a territorial reform compared to municipalities not affected by the reform (Rösel 2017; Blesse and Rösel 2018). Two different mechanisms are proposed for this finding, a size and a salience mechanism.

2.1 The Size Mechanism

The political consequences of territorial reforms are the subject of a number of recent studies. All of them are interested in the effects of jurisdiction size on different aspects of local democracy. Most of them conceive of municipal merger reforms as quasi-experimental settings in which some municipalities are subject to a merger while others are not. A first group of studies assesses the effect of municipal mergers on political participation. Studies of Swiss, Israeli, Finnish, Austrian, and Danish mergers all arrive at a similar conclusion: municipal mergers depress local turnout (Koch and Rochat 2017; Zeedan 2017; Lapointe, Saarimaa, and Tukiainen 2018; Heinisch et al. 2018; Bhatti and Hansen 2019). Municipalities that underwent a merger experience a decrease in local turnout rates after the reform compared to non-merged municipalities. This effect is particularly pronounced for the smaller municipalities in a merger coalition (Lapointe, Saarimaa, and Tukiainen 2018; Bhatti and Hansen 2019).

A second group of studies focuses on the consequences of mergers for representation. Here, the results are more ambivalent. For Danish municipalities, Jakobsen and Kjaer (2016) show that smaller parts of a merger coalition are better represented in the local council of a new municipality – arguably because inhabitants are mobilized by the threat of losing political control and influence in the new jurisdiction. Yet, for Finnish and for Czech municipalities, Harjunen, Saarimaa, and Tukiainen (2019) and Voda and Svačínová (2020) come to a different conclusion: their studies suggest that small or peripheral parts of the merger coalition are less well represented in the amalgamated municipality –
which ultimately leads to an underprovision of public services in these parts of the new municipality.

A third group of studies assesses individuals’ perceptions of local democracy after municipal mergers. Lassen and Serritzlew (2011) find that citizens’ internal political efficacy, i.e. their perceptions their understanding and being able to influence local politics, diminishes in Danish municipalities that underwent a merger. Hansen (2013, 2015) also assesses the effect of the 2007 Danish local government reform on citizens’ perceptions. He shows that both political trust and satisfaction with democracy suffer from mergers.

In sum, these different studies unequivocally suggest that merger reforms negatively affect different dimensions of local democracy. These findings have led other scholars to assess whether increases in jurisdiction size also affect vote choice. Specifically, they assess whether voting for right-wing populist parties increases after municipal mergers. The argument is that citizens in merged municipalities are more alienated from local politics and perceive a bigger distance to their local representatives – as demonstrated by the studies discussed above – and thus turn to anti-establishment parties. Empirical studies using difference-in-differences as well as the synthetic control designs support this claim. They find a stronger increase in the vote share of the German AfD and the Austrian FPÖ in merged jurisdictions compared to non-merged jurisdictions in the German states of Saxony (Rösel 2017), Saxony-Anhalt (Blesse and Rösel 2018) and Mecklenburg-West Pomerania (Rösel and Sonnenburg 2016) as well as in the Austrian state of Styria (Rösel 2016). This suggests that increases in jurisdiction size lead to higher support for right-wing populist parties.

H₂: An increase in jurisdiction size leads to a higher vote share of right-wing populist parties.

### 2.2 The Salience Mechanism

The evidence and arguments discussed above suggest that it is the increase in local jurisdiction size which triggers local constituencies’ vote for right-wing populist parties. However, a competing mechanism which focuses on salience has been proposed recently. In an insightful book on the local roots of radical right voting, Fitzgerald (2018) argues that an increased salience of the local boosts the vote share of right-wing populist parties. This is the case because right-wing populist parties appeal to localists, i.e. individuals with a strong emotional attachment to their municipality. “[T]hese parties often start by appealing to local pride in local elections [...] and they often promise to protect the political autonomy of local communities” (4). The author then goes on to suggest that the nexus between localism and support for right-wing populist parties is particularly strong when the local level is salient.
Fitzgerald (2018) leverages two different situations to demonstrate the latter part of her argument: the timing of local compared to national elections and recent reforms to the authority and decision-making competences of local governments. On the one hand, she shows that the co-occurrence of local and national elections in the same year is associated with higher vote shares of right-wing populist parties in OECD countries. On the other hand, she assesses the effects of a local government reform which affected some French municipalities but not others. In 2001, many French municipalities were regrouped into intercommunal institutions. This meant that they lost a substantive part of their decision-making authority to a higher government tier while remaining distinct political jurisdictions. Fitzgerald (2018, ch. 6) shows that the Front National candidate for the 2002 French presidential election, Jean-Marie Le Pen, did better in municipalities that were subject to this reform compared to municipalities that didn’t experience a decrease in their decision-making authority. She argues that this was the case because localist voters were more mobilized and inclined to vote for Le Pen in municipalities where the local level was more salient due to the recent reform.

What does this mean for the case of territorial reforms? Based in Fitzgerald’s findings, we can expect that a territorial reform does not necessarily have to be implemented in order to have an effect on right-wing populists’ vote share. Rather, it seems sufficient that a municipal merger is debated in a specific municipality – because this renders the local level salient – in order to observe these effects.

H\textsubscript{2}: Debates about an increase in jurisdiction size lead to a higher vote share of right-wing populist parties.

Which of these two mechanisms is at play? The size mechanism suggesting that the increase of right-wing populist vote share is a result of the increase in jurisdiction size that produces political frustration and alienation among citizens? Or the salience mechanism suggesting that it is the relevance of the local level in political debates that leads citizens – and predominantly localists – to turn out for right-wing populist parties? Existing studies of territorial reforms do not allow us to disentangle the two, because they focus on cases where territorial reforms have been implemented and neglect cases where reforms were only debated. This is the case because these studies focus on territorial reforms that have been implemented top-down – meaning that higher tier governments forced certain municipalities to engage in a territorial reform. To disentangle the two, we would thus need a set of comparable cases in which territorial reforms were implemented and a set of cases were they were only debated, but not implemented.

Voluntary municipal mergers in Switzerland provide such a setting. In the Swiss case, municipalities have it (mostly) in their hands whether they want to a.) engage in merger negotiations with other municipalities and thus debate the possibility of a territorial
reform and b.) actually implement the debated reform. We can thus assess the difference between municipalities that did only a.) but not b.) and municipalities that did both. The next section presents municipal mergers in Switzerland in more detail and discusses the empirical strategy for testing the size and the salience mechanism.

3 Research Design

3.1 Voluntary Municipal Mergers in Switzerland

Municipal merger processes in Switzerland have two important characteristics that set them apart from municipal mergers in most other European countries. First, with the notable exception of the 2011 mergers in Glarus, municipal mergers in Switzerland are bottom-up processes: municipalities decide whether and with whom they want to merge.\(^1\) This contrasts with many other European countries, where municipal mergers have been implemented top-down by national or regional governments and where municipalities were forced to merge (Baldersheim and Rose 2010). This does not mean, however, that higher government tiers are irrelevant for Swiss municipal mergers – to the contrary. Cantons are very important players in that they set incentive structures for municipal mergers. All Swiss cantons that have witnessed voluntary municipal mergers since the new millennium have provided financial incentives for municipalities to merge (Kaiser 2014). Municipal mergers in Switzerland are thus voluntary, in the sense that they are not decided top-down by higher government tiers, but that they are merely encouraged by cantons.

The second peculiarity of Swiss municipal mergers is that the final decision is made in local popular votes. With some exceptions, a merger is only implemented when a majority of citizens in all municipalities involved in the merger project casts a ballot in favor of it – and almost every third merger project fails to pass this threshold (Strebel 2019). While citizens in Japan are also asked to vote on municipal mergers (Miyazaki 2014), in Finland or Norway – other countries that witnessed voluntary municipal mergers recently – local councils decide on whether or not a merger project is implemented (Saarimaa and Tukiainen 2014; Fitjar 2019; Harjunen, Saarimaa, and Tukiainen 2019). Swiss citizens clearly consider these popular votes to be important and these votes tend to mobilize large groups of voters to turn out. Figure 1 shows the average turnout in local popular votes on municipal mergers compared to the average turnout in popular votes at the national level. While average turnout in municipal merger votes is around 63% between 2002 and 2018,

\(^1\) In the canton of Glarus, the *Landsgemeinde*, the cantonal citizen assembly, decided at its annual reunion in 2006, that by 2011 the 25 municipalities of the canton will be merged into 3. Despite the fact that the decision was made in a popular vote by the citizens of the canton, it was – strictly speaking – a top-down decision taken by the canton that was forced upon municipalities. Such a comprehensive top-down territorial reform was unprecedented and is unique in Switzerland (Hofmann and Rother 2019).
average turnout in national-level popular votes amounts to only about 45% for the same period. This is remarkable given that turnout in national-level popular votes is normally significantly higher than turnout in local popular votes. In the case of municipal merger votes, this pattern seems to be reversed. This indicates the importance voters attribute to these local territorial reforms.

Swiss municipal merger processes have essentially two stages. An initiation stage, where local political elites are the main actors that seek potential merger partners and negotiate coalitions. And a decision stage, where local constituencies decide on a proposed merger coalition (Strebel 2018). Swiss voluntary merger processes thus allow to test whether the size or the salience mechanism is at play for territorial reforms, because there are municipalities that participated in a municipal merger project but did ultimately not implement the reform. For these municipalities, the territorial reform is (highly) salient, but they do not witness a change in jurisdiction size. If the salience mechanism is at play, we would see an increase in right-wing populist vote shares not just for municipalities that implemented a merger, but also for municipalities that only voted on it – compared to municipalities that were not involved in merger projects. By contrast, if the size mechanism was at play, we would only see an increase in right-wing populist vote share in merged municipalities but not for those who attempted to merge.

Right-wing populist parties are exceptionally strong in Switzerland, mostly because the largest party of the country, the Swiss People’s Party, belongs to this category. To operationalize the dependent variable I combine the vote shares of the most important right-wing populist parties in Switzerland. Apart from the Swiss People’s Party, the Federal Democratic Union, the Swiss Democrats, the Swiss Freedom Party, and the regional parties Ticino League and Romand Citizen Movement are coded as right-wing populist parties and the vote shares of all these parties are added up.
The election results stem from elections to the cantonal parliaments between 1999 and 2020. Ideally, we would assess the impact of municipal mergers on vote choice in local elections. Yet, there are two problems with this in the Swiss case. First, local election results are not archived systematically and particularly small municipalities, the ones which are more prone to merge, often do not archive this data in a systematic manner. Second, the majority of Swiss municipalities does not have a parliament, their legislative body is the town hall. The only elected body in many municipalities is the local executive and these elections function according to a logic of personalization rather than competition and they are held according to a majority rule. For these reasons, I focus on cantonal elections. Recall that cantons play an active role in encouraging municipal mergers through financial incentives. Citizens living in municipalities that underwent or discussed a merger are well aware of the cantons’ involvement, since these financial incentives figure prominently in public debates. For the size mechanism, vote choice expressing discontent and alienation might thus also be observed in cantonal elections, due to the cantons active involvement in promoting mergers. Moreover, for the salience mechanism, it shouldn’t matter at which level of government elections take place, since the idea is that the salience of the local (induced through municipal merger debates) translates into higher success rates of right-wing populist parties in general. That this is the case is also demonstrated by Fitzgerald (2018) for the first round of the 2002 French presidential election demonstrate.

Table 1 gives an overview of the cantonal elections that are taken into account for this study. In most cantons elections take place every four years. Exceptions are the cantons

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of Fribourg, Vaud, and Jura (since 2010), where elections take place every 5 years. I only
include cantons which hold elections according to proportional rule. This means that the 
canton of Grisons – a canton with a significant number of municipal merger projects – is 
not included in the study, since elections there are held according to majority rule.

3.2 Measuring the Effects of Municipal Mergers

Assessing the causal effects of municipal mergers is a challenging endeavor for numerous 
reasons. A first problem is the way municipal mergers occur. Either, municipalities 
can decide themselves whether they want to merge or not – like in the case at hand. 
This poses the problem that the treatment, i.e. the merger, is not assigned exogenously: 
municipalities self-select into it. Normally, we do not know the exact motivations that 
brought a municipality to merge and we might thus be misinterpreting certain differences 
to non-merged municipalities as emanating from mergers when they were potentially based 
in unobserved differences. Having an exogenous assignment of treatment thus seems to be 
better. For example, a higher government tier that decides – usually based on transparent 
and measurable criteria such as local population size – whether a certain municipality has 
to merge or not. This has, for example, been the case for the Danish local government 
reform in 2007. Many political scientists leverage such forced merger reforms to explore the 
effects of size on political orientations (Lassen and Serritzlew 2011; Hansen 2013, 2015). 
However, as Harjunen, Saarimaa, and Tukiainen (2019) argue, this is not unproblematic 
either. In the Danish example, the central government forced all municipalities with less 
than 30,000 inhabitants to merge. This means that a meaningful control group is lacking, 
since there is no municipality with less than 30,000 inhabitants that didn’t merge.

A second problem that applies to both voluntary and forced mergers is that the units 
of analysis, i.e. the municipalities, do not stay constant over time. The pre-treatment 
units disappear with the merger and the post-treatment units only come into being at the 
time of the merger.

In addition to these more general problems, there are challenges specific to the case 
of voluntary mergers in Switzerland. Not all municipalities merge at the same time, but 
rather, mergers occur incrementally over the course of the last 20 years. This means 
that we cannot make a clear distinction between pre- and post-treatment years for all 
municipalities together, but we have to do that individually for each municipal merger. 
Finally, a number of municipalities were not only involved in one but in several merger 
projects between 1999 and 2019, which means that they were treated multiple times.

The first problem of self-selection into treatment cannot be accounted for completely. 
However, using a matching procedure which accounts for different factors that are linked 
to merger probability, I identify control municipalities which have a similar probability to 
merge as the treated ones. This is a procedure that has been applied by other scholars to 
assess the effects of voluntary municipal mergers. In particular, I follow Studerus (2016)
and create artificial control merger coalitions based on matching. I use the matching variables for the year a merger project is voted on and I first match all municipalities that merged later on to municipalities that didn’t. In a second step, the matching partners of all municipalities involved in a merger are aggregated into one new observation to obtain an artificial merger coalition with which the actual merged municipality is compared. In a third step, data for the pre-treatment period for the merger coalition and for the whole period for the control coalition are aggregated.\(^2\) This approach replicates the coalition formation process of a merger. A certain drawback is that this procedure does not take into account whether control coalitions are “realistic”, i.e. whether they are merger coalitions that form one contiguous unit, or whether they consist of municipalities that lie far apart from one another. Yet, given that we do not want to explain the coalition-formation process itself, but rather the outcome of this process on vote choice, this should not pose a problem here.

The matching approach for municipalities that voted on, but did not implement a merger, is more straightforward, since the original municipalities are preserved. Here, it suffices to find matching municipalities for the year a merger project was voted on. The steps of aggregating municipalities into (pre-treatment) and control coalitions are not necessary here.

To deal with the more specific problems of the Swiss case – multiple mergers and mergers taking place incrementally – I remove all the municipalities from the analysis that merged multiple times in the period under scrutiny in order to not have confounded results by multiple treatments. Moreover, I use a relative time variable, indicating years before/after merger and not absolute treatment years. The matched control coalition/municipality is assigned the same absolute treatment year as its treated match, but across these coalition/municipality pairs, treatment years can differ (Studerus 2016, pursues the same approach). This means that temporal effects cannot be ruled out. I control for this by including time-period fixed effects in the regression models.

The matching is done on three variables which have been shown to be crucial for whether a Swiss municipality merges or not: population size, municipality type, and the canton a municipality is located in (Kaiser 2014; Studerus 2016; Strebel 2018). The matching was performed in Stata with the user-written command \texttt{-mahapick-}. This command performs matching based on a Mahalanobis distance measure. The matching algorithm was constrained to do exact matching on municipality types and cantons, which means that only municipalities of the same type and from the same canton would be considered as controls for municipalities involved in mergers. For the continuous variable population size, matching was done by approximation – i.e. finding the municipality that

\(^2\) For an example, see Table A.1. It is important to note that the same control municipality can figure in control coalitions of different merger coalitions.
most closely mirrors a treated municipality on these factors. Table 2 shows the mean and standard errors for the two matched samples of implemented mergers and attempted mergers, aggregated for the election years of the pre-treatment period. In addition to the population size, it also displays the dependent variable right-wing populist vote share as well as the median income. We can see that control and treated units have very similar means and standard deviations – also for the dependent variable on which no matching was performed. This suggests that the control units provide a valid counterfactual to the treated units.

To estimate the effect of merger implementation and merger decision, I rely on a difference-in-differences design using OLS regressions which take the following form:

\[ y_{it} = \alpha + \beta_1 \text{Treatment}_i + \beta_2 \text{After}_t + \beta_3 \text{Treatment}_i \times \text{After}_t + \gamma \text{Year}_t + \epsilon_{it} \]

\( y_{it} \) represents the right-wing populist vote share for municipality \( i \) at time \( t \), \( \text{Treatment}_i \) is a dummy variable for treatment or control group, \( \text{After}_t \) is a dummy-variable indicating treatment status (before or after treatment) and \( \beta_3 \) is the coefficient of interest, i.e. the difference-in-differences estimator. Moreover, \( \text{Year}_t \) captures time-period effects, e.g. a general growth of right-wing populist vote share over time. For the two groups, \( \text{Treatment}_i \) refers either to the size treatment, i.e. the implementation of the merger, or to the salience treatment, i.e. the vote on a merger. The regressions are run on the matched sample of coalition-/municipality-pairs.

### 4 Results

Do voters in Swiss municipalities turn to right-wing populist parties after territorial reform processes as they do in other European countries? We can first examine the trends in right-wing populist vote shares across the different groups of municipalities. Figure 2 shows the development of right-wing populist vote shares before and after treatment for the matched samples. We can see that the trend in right-wing populist vote share is rather similar in the pre-treatment years and the post-treatment years. Generally, municipalities that were involved in a merger tend to have a slightly lower right-wing populist vote share.
than municipalities that were not involved in a merger.\footnote{The strong fluctuations across the different time points are due to the fact that the sample differs for each time point. This is due to the fact, that municipalities did not all merge in the same year and that elections only take place every 4 years. If for example, municipality A merged in 2006, it appears in the groups \( t - 3 \) for the pre-treatment period and in the group \( t + 1 \) for the post-treatment period, while municipality B that merged in 2005 appears in the groups \( t - 2 \) and \( t + 2 \).} Yet, we do not see any clear divergence in the vote shares of treated and control municipalities for neither the size nor the salience treatment group. By contrast, we can see that right-wing populist vote shares generally increase over time. This time trend corresponds to the rise of the Swiss People’s party from the mid-1990s up to its stabilization in the 2010s (Kriesi et al. 2005).

While these trend examinations give us a first impression, they do not tell us whether we find significant differences between matched pairs. For that we need to have a look at the results of the difference-in-differences estimations. I report two different models here. A first one, where the time indicator is a simple before/after dummy variable (Figure 3) and a second one where the time indicator differentiates between the pre-treatment period and the first four post-treatment years (Figure 4). This second estimation is done to assess whether the timing of the first election after a merger matters. One could for example argue that for the size mechanism to materialize, some time needs to pass, whereas for the salience mechanism, we should probably see a bigger impact, the closer an election is to the moment of the popular vote on the merger.

From Figure 3 we can see that the difference-in-differences estimator (Treatment*After) is insignificant both for merged municipalities as well as for municipalities that only voted on a merger. This means that neither H$_1$ nor H$_2$ are supported by this result. For the municipalities that underwent the salience treatment, i.e. voted on a merger but did not implement it, this result does not change when we look at the timing of the first election after the merger vote (Figure 4b). We do not find a significant difference between treated and control municipalities depending on when the first election after the merger vote took
For the size treatment group, i.e. the municipalities that implemented a merger, the results are more nuanced. Here we find a significant and sizeable negative treatment effect when the first election took place one year after the merger. When elections take place one year after a merger, right-wing populist parties lose 3.68 percentage points of their vote share compared to control municipalities. At the same time, we find a strong tendency towards a positive treatment effect when the first election took place two or three years after the merger. This effect is a bit less pronounced, the difference between merged and control municipalities amounts to 2.71 percentage points for elections taking place three years after a merger.

How can we interpret these results? First, we can rather clearly rule out the salience mechanism posited by Fitzgerald (2018) and formulated in hypothesis H₂. For the salience mechanism to hold scrutiny, we should have found a positive treatment effect both in the group that implemented and the group that merely voted on a merger. Moreover, given
that the argument is about the increased salience of the local which plays into the hands of right-wing populist parties and not about the type of reform or the actors that are involved in it, this salience effect should not depend on whether a merger is enforced top-down by higher government tiers or whether the process is voluntary and more inclusive because it is initiated by the affected municipalities themselves. The only question is whether the vote or the merger moment renders the local salient. As we have seen from Figure 1 this clearly seems to be the case, with turnout levels in local merger referenda much above those in national referenda. Hypothesis H$_2$ can thus be rejected.

Second, interpreting the results for the size treatment is somewhat more complicated. While the overall effect of the before/after comparison yields an almost perfect “null” result, things look different when we examine the timing of the first election. Here, this null result translates into a negative effect when the election takes place one year after the merger but in an almost positive one when it takes place two or three years after a merger. What can explain these results? Particularly the significant negative treatment effect in year one after the merger requires explanation.

There are two, interrelated, ways to approach this: i.) the different logic of voluntary and forced mergers, ii.) the role right-wing populist parties play in different regions. First, mergers in Switzerland – compared to those in other North-Middle European countries – are initiated bottom-up and characterized by a strong inclusion of the affected constituencies through the popular vote moment. In contrast to top-down mergers, where the territorial reform is imposed on local constituencies by an external actor and might thus invoke protest reactions, in Swiss mergers it is the local constituencies themselves who decide to tie the fate of their communities. Taking such a decision and making the associated experience of creating a new community goes diametrically against the “us vs. them” logic of right-wing populist parties (cf. Mazzoleni 2005). To the contrary, such an experience might create a new and more inclusive “we”-feeling which goes against the more divisive logic of right-wing populist parties. Moreover, and in contrast to top-down reforms, a successful voluntary municipal merger decision might also create a feeling of empowerment: “We” as a community have the capability to join forces with others and to fundamentally transform the way our local government works. Again, this is probably not the situation where right-wing populist parties that thrive on feelings of alienation and powerlessness do best.

Second, the size treatment effect might differ depending on the role right-wing populist parties play in the different cantons. Given that the cantons play an active role in promoting mergers, it might matter whether right-wing populist parties were part of a cantonal government in the last 20 years – and thus partly responsible for the policies promoting municipal mergers. If this was the case, these parties would find it more difficult to blame established parties for the merger policies and to take a stance against mergers, when
they themselves were involved in implementing them. A contrasting way of approaching
the role that right-wing populist parties play in a canton is linked to the way municipal
mergers are framed and builds on the first explanation focused on voluntary mergers.
We could expect that in cantons where right-wing populist parties play a more marginal
role, municipal mergers are more likely to be interpreted as an empowering and inclusive
event that brings different communities together – and thus goes against the discourse
employed by right-wing populists. By contrast, in cantons where right-wing populists are
strong, voters might conceive of these events more in terms of an “us vs. them” logic
and think of potentially negative consequences of municipal mergers – such as a bigger
perceived distance to local representatives – might weigh in more heavily than a feeling
of empowerment and mutual inclusion.

To examine whether the role of right-wing populist parties in cantonal politics plays
out in one or the other way, I divide the sample in two groups. A first group, where right-
wing populist parties (in most cases the Swiss people’s party) participated in government
in two or more legislatures in the last 20 years and a second group, where they didn’t (see
Table 3). When they participated in government, it might be more difficult for them to

| Table 3: Right-wing Populists in Government |
|---|---|---|---|
| Canton | Period | Government? | ∅ Vote (%) |
| AG | 1996-2020 | Yes | 34.1 |
| BE | 1998-2020 | Yes | 34.9 |
| FR | 1996-2021 | No | 14.9 |
| JU | 1998-2020 | No | 5.6 |
| LU | 1999-2023 | Yes | 20.4 |
| NE | 1997-2021 | No | 9.5 |
| SG | 2000-2020 | Yes | 26.5 |
| SH | 2000-2020 | Yes | 35.3 |
| SO | 1997-2021 | No | 17.1 |
| TI | 1999-2023 | Yes | 21.3 |
| VD | 1997-2022 | Yes | 13.9 |
| VS | 1997-2021 | No | 9.4 |
| ZH | 1999-2023 | Yes | 30.0 |

| Total | 2000-2020 | 8/13 | 21.0 |

campaign on a strong anti-establishment platform. At the same time, in cantons where
they didn’t participate in government, right-wing populist discourse does not seem to
fall on fertile ground and might thus not be very effective in mobilizing voters. Figure
5 displays the results contingent on whether right-wing populists were in government or
not in the last 20 years. From figure 5a we can see that this indeed makes a difference
for the effect of the treatment. In cantons, where right-wing populist are in government,
merging tends to increase the vote share of right-wing populist parties, whereas in cantons
where they play a more marginal role, merging has a significant negative effect on right-wing populist support. This effect is sizeable, it amounts to 3.39 percentage points. This suggests that it is the way municipal mergers and more generally questions of political community are framed and thus perceived in a certain context. When questions of political community are presented in an “us vs them” frame, which is more likely to be the case in cantons where right-wing populists are strong, municipal mergers activate these ideas in people’s minds and thus lead to higher support for right-wing populists. However, when questions of political community are presented in a frame of cooperation and inclusion, as it might be the case in cantons where right-wing populist parties are more marginal, municipal mergers trigger images and ideas that diametrically run counter the us vs them logic and thus render it more difficult for right-wing populists to thrive.

**Figure 5:** Heterogeneity of Size Treatment: Right-wing Populists in Government

(a) **Before/After**

(b) **Election Timing**

Moreover, when we look at Figure 5b, we can see that the tendency for a positive effect is pronounced in elections that take place three (+3.3 percentage points) and to a lesser extent two years after a merger, whereas the negative effect is present only in elections that take place one year after a merger. Yet, this latter effect is very strong, amounting to a 12.2 percentage points difference between control and treated municipalities. That the positive effect only appears after three years makes sense against the backdrop that only then citizens might start to experience or become aware of potential adverse effects of a merger for their daily and especially for their political life. In a similar vein, a negative effect after one year, but not for later years, also makes sense since the new community feeling and the feeling of empowerment and inclusion might be particularly strong in the beginning, when things are new, and slowly wear off and get back to normal in the coming years. Yet, it is important to note that the magnitude of the negative effect on right-wing populist vote share is much more pronounced than the one of the positive effect.\(^4\)

\(^4\) I have also examined whether we find similar heterogeneous treatment effects after merger votes. This is not the case. Moreover, I have also examined whether the contestedness of the vote leading to the
In sum, the results presented here suggest that voluntary municipal mergers with local constituencies included in decision-making have a different, less significant, impact on vote choice than large-scale top-down reforms. When mergers are only debated but not implemented – the context in which we should theoretically observe the salience mechanism posited by Fitzgerald (2018) – voters are not more likely to support right-wing populist parties. Since there is no reason to expect that the salience mechanism should play out differently depending on whether mergers are voluntary or forced, it can be ruled out as a reason for why right-wing populist parties grow in strength after local territorial reforms. For the size mechanism, things are somewhat more complicated. Here, there is reason to believe that discontent and alienation from politics, which might translate into support for right-wing populist parties, is more pronounced in forced than in voluntary municipal mergers. Since in the case at hand it is the affected citizens who make the final decision, they would essentially have to blame themselves for implementing a merger proposal. Indeed, we observe an interesting twist in support for right-wing populist parties after voluntary municipal mergers: their support shrinks in elections immediately after the merger. This effect is particularly pronounced in cantons where right-wing populist parties have not participated in government in the last 20 years. A reason for this might be that mergers further a community and a we-feeling among the newly merged municipalities and that this we-feeling can articulate itself better when the divisive us vs them discourse of right-wing populists is not very dominant. By contrast, in cantons where this discourse is falling on fertile grounds, we see that on the medium term – two or three years after a municipal merger – support for right-wing populist parties surges. Here, voters might be more inclined to follow an us vs them logic and to put the blame for potentially adverse effects of a merger on the functioning of the local community on the political “establishment”. While the size mechanism cannot be ruled out completely for voluntary municipal mergers, it certainly is less pronounced than in the case of forced mergers and seems to depend on the political context.

merger or the “intensity” of the merger, i.e. how big the size change is for the involved municipalities, make a difference for the post-treatment right-wing populist vote share. One might expect that citizens feel less united and more alienated in mergers or after merger votes that were very close, because they might perceive them as more arbitrary or because they suggest that the community is divided, whereas unanimous votes might reinforce a community feeling. Similarly, when all municipalities involved in a merger experience a significant change in the working of their community – because they have not just incorporated a small insignificant neighbor, but because they have merged more or less among equals – voters might be afraid of adverse effects of such a merger and thus be more prone to vote for anti-establishment parties. Figures A.4 and A.3 show the results for these analyses. Neither for the size, nor for the salience treatment, we can see any such effects.
5 Conclusion

The impact of territorial reforms on local democracy has generated an impressive amount of research in the last decade (Lassen and Serritzlew 2011; Koch and Rochat 2017; Harjunen, Saarimaa, and Tukiainen 2019). One aspect that has received less attention is the impact of territorial reforms on vote choice. Recent research has suggested two mechanisms for why territorial reforms might lead to an increase in right-wing populist vote shares. The size argument states that the increased distance between representatives and represented resulting from the increase in jurisdiction size leads to political alienation and disaffection. This renders right-wing populist parties which adopt an anti-establishment discourse more attractive to voters (Rösel 2017; Blesse and Rösel 2018). The salience mechanism, by contrast, posits that it is not the territorial reform itself that triggers right-wing populist support, but the increased salience of local politics that benefits these political parties (Fitzgerald 2018).

This paper tests these two mechanisms for Swiss voluntary municipal mergers and data from cantonal elections between 1999 and 2020. The fact that some municipal mergers were rejected in local popular votes and thus not implemented allows to disentangle the size and the salience mechanism. Both in cases of implemented and cancelled mergers, the local level becomes very salient due to the popular vote and the intense debates in the municipalities preceding the vote. However, only some municipalities are subject to the size effect – namely those who implemented the merger.

Difference-in-differences estimations on two matched samples of merged and voting-only municipalities provide no clear evidence for either mechanism. This might be the case because municipal mergers in Switzerland are voluntary and carry a strong participatory element – which might mitigate political discontent and alienation. So far, the effects of territorial reforms on voting for right-wing populist parties were only found in contexts where territorial reforms were forced upon municipalities top-down.

Further analyses that take into account the political context – whether right-wing populists are in government or not in a particular canton – even point to a short-term negative effect of mergers on right-wing populist support when these parties are not in government. A possible explanation for this effect again lies in the voluntary and participatory nature of Swiss municipal mergers. A municipal merger is a big project for local communities and it conveys a clear message: we unite in a new political community and jointly deal with our affairs. This “we”-feeling goes diametrically against the divisive “us vs. them” rhetoric of right-wing populist parties. Indeed, these parties have been found to oppose integrative reforms – whether on the European, regional, or the local level – and tend to pit their own political community against others, independent of the territorial scale (Mazzoleni 2005; Heinisch and Marent 2018). A successful municipal merger
which was decided on by local voters in a referendum might make it more difficult for these parties to convey their message which runs counter to the voters’ experience and behavior. Voluntary municipal mergers might thus have a different impact on right-wing populist party support than forced ones. This result also seems relevant from a more normative perspective, as it gives additional reasons for preferring voluntary over forced local territorial reforms (Erlingsson, Ödalen, and Wångmar 2020).

While the present results do no allow us to rule out the size mechanism, they allow us to rule out the salience mechanism. That mechanism should not be dependent on the way decisions on territorial reforms are taken but just on the question whether or not the local level is salient to voters when they turn out in elections. Both forced and voluntary municipal mergers render the local salient to voters – voluntary municipal mergers maybe even more so, since citizens decide in highly visible and politicized referenda on them.

An important caveat and limitation of the current results is that we find significant differences in the baseline support for right-wing populist parties in treated and control municipalities (see Figure 3), both for municipalities that implemented a merger and that voted on but then abandoned the merger. This suggests that differences in the vote share for the Swiss people’s party between the treatment and the control group have existed before the treatment. This might be a sign that in voluntary municipal mergers, right-wing populist ideology comes into play already at the beginning of the merger process and not as a consequence of it: in municipalities with strong support for right-wing populist parties, local officials maybe do not make steps towards municipal mergers in the first place. This interpretation is supported by the fact that municipalities with a higher right-wing populist vote share are more likely to reject municipal merger projects at the ballots under certain circumstances (Strebel 2019).

In a next step, it would thus be important to adapt the matching and take into account pre-treatment levels of right-wing populist vote shares as a way to improve the parallel trends between treatment and control group. Similarly, pre-treatment time-trends could be accounted for in the matching, by matching on the mean value and the standard deviation of the matching indicators for the pre-treatment years, rather than just the value for one pre-treatment year. In order to dig deeper into the differences between voluntary bottom-up and large-scale top-down mergers, I plan to leverage the 2011 municipal merger reform in Glarus in a next step. Glarus was the only Swiss canton in which a large-scale top-down reform was recently implemented. Using a synthetic control approach, whereby a “counterfactual” canton is created by weighting and averaging indicators across all other cantons, would allow to assess whether the non-finding for territorial reforms indeed has to do with the voluntary bottom-up nature of the mergers assessed here. Hofmann and Rother (2019) have successfully pursued such an approach for the canton of Glarus to assess whether the territorial reform of 2011 led to cost savings in the public sector. A
potential problem with this approach is that the democratic legitimacy of the territorial reform in Glarus might still be perceived higher by citizens than in other contexts where merger decisions are taken top-down. The reason for this is that the Landsgemeinde, the citizens’ assembly which gathers once a year in spring on the central square of the capital of Glarus, took this decision in a popular vote and this decision might thus enjoy a much higher legitimacy among citizens than a top-down reform in a purely representative democratic system.

In any case, this study suggests that it is crucial to take the way decisions on territorial reforms are taken as well as the political context within which they are taken into account when evaluating their impact on local democracy.


Appendix
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| Control n | Y+Z  | Y+Z  | Y+Z  | Y+Z  | Y+Z  | Y+Z  | Y+Z  | Y+Z  | Y+Z  | ...  | Y+Z  |
| (=X')     | (=X')| (=X')| (=X')| (=X')| (=X')| (=X')| (=X')| (=X')| (=X')| ...  | (=X')|
| Time n    | -8   | -7   | -6   | -5   | -4   | -3   | -2   | -1   | 0    | ...  | 12   |

Note. Letters denote municipalities; **Bold** = Election year; Time=0 indicates treatment year; *Italic* = Vote year which is used as matching year.
Figure A.1: Timing of Treatment and Elections: Distribution Across Cantons
(a) Size Treatment

(b) Salience Treatment
Figure A.2: Election Timing 15 Years
(a) Size Treatment

(b) Salience Treatment
Figure A.3: Heterogeneity: Unanimity of Decision
(a) Size Treatment  (b) Salience Treatment

Figure A.4: Heterogeneity: Intensity of Treatment
(a) Size Treatment  (b) Salience Treatment