

Commitment or Expertise?

Technocratic appointments as political responses to economic crises

Forthcoming at the European Journal of Political Research

Despina Alexiadou,

Department of Government and Public Policy,

University of Strathclyde

Hakan Gunaydin,

Department of Politics and Public Administration,

University of Konstanz

Abstract

Why do prime ministers or presidents appoint non-elected experts, also known as technocrats, during economic crises? Do they appoint them for their expertise or for their commitment to pro-market reforms? Answering this question is crucial for understanding and predicting the longer-term role of technocrats in democracies. With the aid of unique data on the political and personal background of finance ministers in 13 parliamentary and semi-presidential European democracies we show that commitment, not expertise is the primary drive of technocratic appointments during major economic crises. Technocrats are preferred over experienced politicians when the latter lack commitment to policy reform. An important implication of our findings is that technocratic appointments to top economic portfolios in West European countries are unlikely to become the norm outside economic crises, assuming economic crises are short-lived and not recurring.

Introduction

Since the 2008 Great Recession, the appointments of unelected experts, also known as technocrats, to the portfolio of finance increased by 150 percent, from 10 to 26 percent. In contrast, the rise in economic experts who held elective office and had political experience increased only by 50 percent.¹ Why do prime ministers or presidents in West Europe appoint technocrats over politically experienced experts as their finance ministers during major economic crises?

The dominant explanation for the appointments of technocrats is their technical expertise. Technocrats provide expertise that is necessary during the complex decision-making process that arise with economic crises (Amorim & Samuels, 2010; Dargent, 2015; Hallerberg & Wehner, 2017) and increasing European integration (Bäck, Dumont, Meir, Persson, & Vernby, 2009). Lack in expertise and politicians' dependence on non-elected experts is a primary factor for appointing technocrats in Latin America and their subsequent dominance in the policy-making process, with lasting effects on the region's economies and political systems (Dargent, 2015; Dominguez, 1997; Kaplan, 2017; Roberts, 2017; Santiso, 2003).

¹ Based on data from 13 West European parliamentary democracies that have no constitutional restrictions regarding cabinet appointments. See Table 1A in the Appendix.

² For example, Macron, the former technocrat economics minister, run and won the presidential elections as an independent technocrat candidate (Chassany & Hal, 2017).

³ This definition is in line with the one provided by McDonnell and Valbruzzi (2014).

In Western Europe, technocratic appointments to top ministerial positions have historically been limited, albeit with significant cross-country variation (Amorim & Samuels, 2010; António Costa Pinto, Cotta, & Almeida, 2017). Political experience and party rank are crucial for ministerial efficiency in parliamentary democracies (Alexiadou, 2016; Jochimsen & Thomasius, 2014). Moreover, Europeans mostly overcame the economic crises of the eighties and nineties through political battles and alliances (Gourevitch, 1986; Hall, 2013). It is thus not surprising that scholars have been alarmed by the prominent role that technocrats have assumed across European governments since the 2008 Great recession (Caramani, 2017; McDonnell & Valbruzzi, 2014). Technocratic appointments are seen as a challenge to party government (Berman, 2017; Caramani, 2017), and even as a sign of a decline in the representative role of parties (Roberts, 2017).

Under party government, policy reflects the preferences of the electorate as expressed through multiparty elections and coalition formation (Caramani, 2017). Under technocracy, experts and not voters decide on policy. The de-politicization of policy, through delegation to independent regulatory agencies, can be welfare-maximizing to the extent that technocracy is insulated from short-term electoral considerations and special interests (Alesina & Tabellini, 2007; Rosanvallon, 2011). Unlike politicians, bureaucrats are expected to implement a single policy mandate independently of its distributional or electoral effects (Alesina & Tabellini, 2008; Drazen, 2000). At the same time policy delegation to bureaucrats restricts democratic representation (Berman, 2017; Bickerton & Accetti, 2017; Fischer, 1990; Freeman, 2002). Even if technocratic bodies successfully share sovereign power with elected governments (Radaelli, 1999; Rosanvallon, 2011) and contribute to monetary and fiscal stability (Bodea & Hicks, 2015), the de-politicization of

fiscal policy contradicts the very essence of democratic politics as the mediation of social conflict through political parties (Alesina & Tabellini, 2007; Bickerton & Accetti, 2017).

The appointments of technocrats to the finance portfolio are not an institutionalized form of policy delegation; nonetheless, they can be consequential. The risk of agency loss exists in all ministerial appointments, partisan or not (Drazen, 2000; Strom, 2000). This risk is particularly acute in the case of technocrat finance ministers who are in charge of the government's budget and tax policies (Alexiadou, 2016; Hallerberg, 2004) and considering that expert ministers are harder to monitor than non-experts (Dewan & Hortala-Vallve, 2011). Even within politically independent agencies, individual policymakers have significant policy influence (Adolph, 2013; Ainsley, 2017).

Technocrats have dominated the policy-making process in Latin America, resulting in the de facto de-politicization of fiscal policy and the weakening of party government (Dargent, 2015; Roberts, 2017). To what extent, then, do the recent technocratic appointments in Western Europe signify the de facto de-politicization of fiscal policy and the subsequent erosion of party government (Caramani, 2017)? Notwithstanding the difficulty of providing a resolution to this question, we offer novel insights on the role of technocrats in parliamentary democracies by identifying the underlying motivations for their appointments. Presidents' dependence on experts to run the economy and increase investor confidence is the primary reason technocrats have dominated policymaking in Latin America (Dargent, 2015; Kaplan, 2017). If lack in expertise within parliamentary groups (Bäck et al., 2009; Dewan & Myatt, 2010; Winter, 1991; Yong & Hazell, 2011) is what drives the appointments of technocrats in Western Europe, then increasing economic interdependence could further enhance the role of

technocrats in government. If, on the other hand, technocrats are appointed for other, short-term political reasons, then their role might be short-lived and limited to periods of economic crises, unless economic crises become permanent or recurring.

We address this question by providing a theory and an empirical test that predict technocratic appointments in parliamentary and semi-presidential democracies. We collected data on the appointments of finance ministers in 13 West European democracies since 1980. To clearly separate expertise from independence from politics, we coded ministers by their prior professional experience and their political experience. Unlike previous empirical work, we distinguish technocrats from non-partisans (Camerlo & Perez-Linan, 2015) and from experts (Hallerberg & Wehner, 2017; Kaplan, 2017). For us technocrats are both experts and non-partisans.

Our starting point is that not only expertise but also politicians' career concerns are instrumental in their performance as policymakers (Adolph, 2013; Alesina & Tabellini, 2007; Alexiadou, 2016; Blondel, 1991). During economic crises cabinet ministers and members of parliament (MPs) are called to enact and support policies that often run against their party ideology, electoral promises and even their personal convictions. Individual cabinet ministers do not want to be the ones who adopt unpopular policies in fear of losing electoral support. Technocrats, in contrast, are more willing to adopt unpopular economic policies that are deemed necessary for stabilizing the economy. Unlike elected politicians, technocrats have not made policy commitments to voters, and their professional career is not subject to voter approval (Blondel, 1991; Grossman, 2014). If anything, when technocrats accept a high-profile political appointment, they have strong incentives to succeed as they believe in the reforms

themselves and they want to appear competent to their professional peers (Alesina & Tabellini, 2008; Alexiadou, 2016; Blondel, 1993). To the extent that technocrats have political ambitions, they would most likely pursue them by stressing their independence from politics and established elites.²

We find that technocratic appointments in Europe primarily address problems of agency that arise during major economic crises between the prime minister and her elected cabinet ministers. Although technocrats are more likely to be appointed during economic crises across political systems, the odds of appointing technocrats in more competitive and personalized electoral systems are twice as high than in party-centered systems. More importantly, the odds of appointing experienced politicians during economic crises are seven times lower in person-centered than in party-centered electoral systems.

The risk of agency loss is a prominent explanation for appointing non-partisans in presidential cabinets (Martinez-Gallardo & Schleiter, 2015), but it has not been explored as a motivation for appointing technocrats in parliamentary systems. This is due to the fact that prime ministers have a stronger and direct control of their ministers' careers than presidents in presidential systems. Nonetheless, we show that under certain conditions, the risk of agency loss understood as prime ministers' fear of no policy reform, and not lack in expertise, lies behind the appointment of technocrats in Western Europe.

² For example, Macron, the former technocrat economics minister, run and won the presidential elections as an independent technocrat candidate (Chassany & Hal, 2017).

We proceed with providing a typology of ministers based on their expertise, experience and effort, before elaborating on how economic crises and the electoral system modify prime ministers' considerations for appointing their finance ministers.

Expertise, Experience, Effort: defining technocrat and expert ministers

We define *technocrats as professionals who have policy expertise within their department's policy jurisdiction and have never held elective office, whether at the national, subnational or local levels, both prior or after their ministerial appointment.*³

The first attribute of technocrats is their policy expertise. A non-elected politician who is appointed as a cabinet minister is not a technocrat if he/she is not a policy expert in the department he or she is appointed. Regarding finance ministers, we define experts as those with prior-professional experience in *economists, finance or academia.*⁴ The second attribute of technocrats is their independence from politics, understood as the absence of a political career in the form of having held elective office.⁵ Therefore, technocrats

³ This definition is in line with the one provided by McDonnell and Valbruzzi (2014).

⁴ This coding allows to identify individuals who have some economic expertise, even if they are not formally trained as economists. We would prefer to code expert finance ministers as those with a PhD in economics (Hallerberg & Wehner, 2017; Kaplan, 2017). However, such a definition is too restrictive for our sample as it would exclude economists that lack formal training, like the former EU commissioner and architect of the European Single Market, Jacques Dellors.

⁵ Ideally, we would define technocrats as experts who have no political affiliation and never intended to have a political career. However, this is impossible to measure for two reasons. First, even though some cabinet ministers have had a reputation for being non-partisans, some non-elected professionals could have party affiliations. Second, and more

should not be confused with experts who are elected MPs or with outsiders, who are neither elected nor experts (see Camerlo and Perez-Linan (2015)).

To understand the logic of technocratic appointments we must clearly separate expertise from political independence. The first relates to a minister's ability to formulate a policy; the second relates to her effort to implement the policy. Building on Alesina and Tabellini (2008), we assume that a final policy outcome is a function of a minister's ability (both technical and political) and effort. Ministerial ability can be broken down to her policy expertise (Alesina & Tabellini, 2007) and her political experience (Alexiadou, 2015; Jochimsen & Thomasius, 2014; Welzelburger & Staff, 2017). Either can be partly known from past-professional performance and is distinct from her effort.

A minister's effort is a function of her incentives that are directly shaped by her career goals. If a policy outcome has a net benefit on her career, then she will put more effort into it. Career goals can vary. Politicians typically seek re-election by meeting voters' demands. Professionals typically aim at better employment prospects by building a positive reputation in their professional field. Conversely, policymakers might work hard towards a policy they strongly believe to be the most beneficial for society, independently of immediate personal professional prospects.

A politician will commit to a policy as long as it increases his chances of re-election. The retrospective evaluation of politicians is necessary for ensuring that competent politicians are re-elected and policies reflect voters' preferences (Duch & Stevenson, 2008). In contrast, a technocrat minister would commit to a policy reform,

importantly, even if non-elected policy experts return to their professional career after their brief term in government, we cannot know if they developed an interest in politics.

irrespective of its popularity with voters, as long as the policy reflects her policy preferences, it is received positively by his professional peers or/and increases his future job opportunities.⁶ Therefore, when a policy outcome is mostly unpopular with voters, we expect a politician's effort towards that outcome to be smaller than a technocrat's.

This brings us to the prime minister's dilemma when deciding whom to appoint to the finance portfolio during an economic crisis. A minister with expertise in economics and years of political experience would score high on her ability to formulate economic policy. Not only this minister possesses crucial technical skills but she/he can also discipline the party and convince backbenchers of the value of the reform. Nonetheless, her commitment to implement an unpopular and potentially electorally costly policy is questionable. A partisan expert minister would score high on ability, but low on effort. On the other hand, a technocrat would score high on expertise and on effort. However, her political experience would be nonexistent.

To sum up, building on the literature that predicts variable policy outcomes as policymakers' career objectives vary (Adolph, 2013; Alesina & Tabellini, 2008; Alexiadou, 2015, 2016; Blondel, 1991), we suggest that two cabinet ministers with equal expertise can differ in their political experience but more importantly they also differ in

⁶ This is not to say that elected politicians do not adopt policies that have high electoral costs. Politicians can have strong individual preferences and private career aspirations that make them at least as committed or more committed than technocrats to a policy reform, independently of future electoral costs. For Alexiadou (2015, 2016) these are the *ideologues*, who prioritize policy over office. What we say is that in the absence of private information, technocrats are known a-priori to commit to policy reform.

the effort they put into a policy. Table 1 summarizes the types of cabinet ministers on the basis of their expertise, ability and effort.

Table 1: Expertise, experience and effort

	Expertise	Experience (or High rank)
Expertise	<i>Experts</i>	<i>Experienced experts (or heavyweight experts)</i>
Experience (or High rank)	<i>Experienced experts (or heavyweight experts)</i>	<i>Experienced non-experts</i>
Effort	<i>Technocrats</i>	?

The example of Anders Borg, the technocrat finance minister of Sweden between 2006-2014, is illustrative. Prior to his ministerial appointment, Borg worked as policy advisor for the liberal conservative Moderate Party, and as an economist in the financial sector. During his term, he was the main figure behind Sweden’s new economic policies focusing on labor market and public finances. He pushed for tightened eligibility criteria on unemployment benefits and sick pay, for the abolition of the temporary disability pension, as well as for temporary cuts in employers’ social security taxes during the 2008 financial crisis (OECD, 2011). Borg faced criticism from unions and opposition parties. He acknowledges the fact that he had to implement politically costly reforms and that these reforms were ‘a severe blow to our support’ (Nelson, 2012). Borg also stated that he was not a typical politician and added that “When I look at other politicians I tend to see myself more as an economist” (Giger & Nelson, 2011).

Ministerial appointments and risk of reform commitment during economic crises

During periods of monetary or fiscal/debt crises governments are pressured to enact economic reforms that directly affect and often hurt important constituencies and stakeholders. Policy responses to economic crises among others involve price stabilization, fiscal consolidation, social welfare and labor market reforms (Armingeon, Guthmann, & Weisstanner, 2016; McMenemy, Breen, & Munoz-Portillo, 2014). Party ideology, coalitional politics, industrial relations are all important predictors for governments' policy choices and reform capacity (Alexiadou, 2013; Armingeon et al., 2016; Iversen & Soskice, 2015; Korpi & Palme, 2003).

This does not mean that whom prime ministers appoint to critical ministerial departments is of no consequence. The ministers that directly handle economic policy, namely the ministers of finance, are called to draft policy and communicate it with other cabinet members, party backbenchers, affected interest groups and stakeholders of their ministerial departments, and, of course, the public. If ministerial appointments matter for governments' performance, they should be particularly consequential during periods of economic crisis.

Holding expertise constant, PMs have a choice between appointing a politician with political experience or a minister who is known to be committed to policy reform, namely a technocrat. There are many reasons why a PM would prefer a politically experienced politician as her finance minister. Strong finance ministers deliver significant budgetary benefits (Alexiadou, 2015; Hallerberg, 2004). Finance ministers with cabinet experience (Moessinger, 2014) and seniority in the party (Alexiadou, 2016) are found to be most effective policymakers. This is hardly surprising since the drafting and passing of legislation in parliamentary systems relies heavily on policy negotiations among cabinet

ministers (Alexiadou, 2016), as well as between ministers and the parliament (Martin & Vanberg, 2011).

During international economic crises finance ministers are called to adjust the government's budget along with macroeconomic policies. When the severity of the crisis is particularly high such as during the 2008 Great Recession, market-correcting policies lead to significant drop in output and employment (Ollivaud & Turner, 2015) and require extreme responses in terms of cuts in governments' budgets (Cioffi & Dubin, 2016). These processes involve intense negotiations and tough decisions whereby some cabinet departments are hit more than others. Fiscal policymaking is inherently political and cannot be reduced to simple bureaucratic policy rules (Alesina & Tabellini, 2008; Alexiadou, 2013; Gourevitch, 1986). Moreover, in parliamentary systems prime ministers typically have significant control of the political careers of their members of parliament (MPs) (Amorim & Strom, 2006; Belinski, Dewan, & Dowding, 2007).

If anything, appointing an independent expert to a major economic portfolio increases the likelihood of agency risk between that minister and the PM as experts are harder to monitor (Dewan & Hortala-Vallve, 2011). This should be particularly true during periods of economic crises when markets are constantly watching governments' actions. Firing a partisan might affect the balance of power within the party. Yet, firing a technocrat who is visible to voters and markets, alike, could send a strong signal regarding the government's policy priorities.⁷ Thus we expect *major economic crises to*

⁷ This probably explains why technocrat finance ministers keep their jobs even after cabinet-wide reshuffles during financial crises (Hope, 2013) and even after government resignations, such as that of Matteo Renzi's in Italy (Times, 2017).

have a strong and positive effect on the appointments of ministers with significant cabinet experience (and/or high party rank) (H1).

Nonetheless, experienced ministers, and perhaps more so party heavyweights with leadership ambitions, might not be the most effective policymakers during major economic crises. When PMs choose whom to appoint to their top economic post, they are aware that she/he would have to adopt policies against the party's platform or against their constituents' policy preferences. As succinctly put by the former Greek finance minister Papaconstantinou, "The crisis was clearly erasing political careers that had been painstakingly built over decades" (Papaconstantinou, 2016).⁸

The economic costs of market-correcting policies carry significant political costs, which is why during major economic crises technocrat finance ministers could provide a level of commitment to policy reform that an elected government lacks. Elected politicians are more likely to respond to voters than non-elected politicians. This is not only in line with theoretical expectations that stress re-election as the primary career motivation of elected politicians (Alesina & Tabellini, 2007) but it is also supported by experimental evidence (Drazen & Ozbay, 2015). In contrast, technocrats' personal cost of policy reform is relatively low and is best understood as a cost on their time and reputation in their professional community (Alesina & Tabellini, 2007). It is also likely that technocrats personally believe in the necessity of market-correcting reforms for the longer-term viability of the economy. Thus, we expect *major economic crises to have a strong and positive effect on the appointments of technocrats (H2).*

⁸ This was indeed the fate of Evangelos Venizelos, the deputy leader of PASOK who replaced Papaconstantinou to discipline the parliamentary group.

To sum up, during major economic crises, prime ministers should strongly prefer to appoint politically experienced politicians as their finance ministers. Political experience, and high party rank in particular, should prove essential when trying to pass controversial legislation and trying to unite the party behind the reform. However, politically experienced ministers might not be personally committed to policy reform due to the expected political costs of policy reform. Under these conditions, prime ministers have to look outside the parliament for experts who are more committed to policy reform, even if they lack political experience.

Personal vote and ministerial appointments in parliamentary systems

If indeed economic crises lead to a larger number of technocratic appointments, how can we know that the prime minister's motivation for appointing them is to address potential lack in policy commitment and not lack in expertise? To answer this question we need to consider the institutional conditions that would increase the political personal cost of austerity reform, and consequently politicians' commitment to policy reform.

Although parties suffer collectively for the policies they enact, individual politicians have stronger or weaker incentives to comply with their party's policy line depending on the electoral system. In closed-list electoral systems political careers are more directly controlled by the party leader than in open and semi-open party lists. In open lists, not only nomination and election but also promotions to executive appointments depend on voter choice. Specifically, recent research finds that in open list systems, preference votes provide information on the popularity of party candidates and double the probability of political appointments (Folke, Persson, & Rickne, 2016). This

direct relationship between preference votes and political appointments in open list systems provides strong incentives to politicians to be at least as concerned about serving their voters as the party leadership. Thus, in electoral systems where voters cast a preferential vote for candidates, elected politicians have stronger incentives to avoid adopting and supporting unpopular reforms and even to differentiate from their party line (Depauw & Martin, 2009).

Yet, not all open list systems provide the same vote-seeking incentives. The more competitive and personalized an electoral system is, the more cabinet ministers fear for their own, political career when they enact unpopular policies. Within open and semi-open list systems, the incentive for personal vote-seeking increases with the number of co-partisan competitors, which is a function of district magnitude. As district magnitude increases, so does the incentive for personal vote-seeking (André & Depauw, 2014).⁹ The more personalized and competitive the electoral system is, the more valuable politicians' personal reputation becomes for their career, captured by the hours they spent in constituency work (André & Depauw, 2014).

Consequently during major economic crises we expect both party cohesion and ministerial agency risk to be strongly affected by the electoral system. In personalized and competitive electoral systems, MPs and cabinet ministers alike have strong incentives to differentiate their policy position when the party line goes against their constituents' preferences. What is of particular interest here is that the same, vote-seeking pressures for MPs and elected cabinet ministers call for contradictory solutions by the PM. On the one

⁹ However, when district magnitude is so large that the threshold for winning a seat is high, then the incentive for personal vote-seeking behavior diminishes (André & Depauw, 2014).

hand, when discipline within the parliamentary group is low, prime ministers have strong incentives to appoint party heavyweights in top economic portfolios to increase the chances of uniting the party behind the government's reform agenda. On the other hand, as vote-seeking behavior and agency risk within the cabinet increases, prime ministers have to worry about their heavyweights shirking, harming the government's reform credibility.

To sum up, we expect the electoral system to have important mediating effects on ministerial appointments during major economic crises. Economic crises reduce party discipline and increase agency loss between the prime minister and her cabinet ministers. If addressing the PM's fear of no reform is the main motivation for appointing technocrats then *during major economic crises, prime ministers should prefer technocrats over high ranking and experienced politicians in more personalized electoral system (H3a)*. If, on the other hand, discipline within the parliamentary group is the main concern prime ministers have during economic crises, *then we should find that prime ministers prefer high ranking politicians over technocrats in more personalized electoral systems (H3b)*. If, finally, the electoral system has no modifying effect on the appointments of technocrats or of high-ranking politicians then we cannot reject the null hypothesis that expertise is the primary reason for appointing technocrats.

The Dependent Variables: Technocrats, Experts & Heavyweights

We study the appointments of finance ministers in 13 Western European parliamentary democracies: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy,

Netherlands, Norway, Portugal, Spain and Sweden.¹⁰ To test our hypotheses we predict the appointments of finance ministers with policy expertise, elected or not, political experience, and rank in the party during periods of financial crises. We are primarily interested in finding out what prime ministers seek in their finance ministers when faced with an economic crisis, and how the electoral institutions influence ministerial appointments. Thus, our six dependent variables are: the appointments of *technocrats*, *experts*, *ministers with cabinet experience*, *experts with cabinet experience*, *high ranking ministers* and *high rank experts*.¹¹

The dataset used in the empirical analysis is structured by country/year observations and it spans from 1980 to 2014. The original dataset identifies one individual minister per ministerial portfolio. The country/year dataset averages the time the responsible minister occupied the ministry during a calendar year. If a minister was in the cabinet for a whole year, he is coded as 1. If he was in office for $\frac{1}{4}$ of the year, then he is coded as 0, while if he was in office more than $\frac{1}{2}$ of the year he is coded as 1. The original dataset codes the initial appointments as well as the re-appointments of finance ministers after cabinet reshuffles. The data include information on the professional and political background of finance ministers, collected from multiple official and personal website sources.

Technocrats are coded as those ministers that never held elective office, prior or after their appointment, at either the national, regional or local levels and have policy expertise, i.e. a background in economics, finance or academia. *Experts* are those

¹⁰ France and Portugal are semi-presidential democracies.

¹¹ For summary statistics, see Tables 2A and 3A in the Appendix.

ministers with expertise¹², irrespective of their political experience. Ministers with *cabinet experience* are those who have more than four years of experience in a cabinet post prior to their appointment to the portfolio of finance¹³. *Experts with experience* have both prior experience and expertise in economics. Finally, *high-ranking ministers* are those that hold positions in their parties as party leaders, deputy leaders, or parliamentary group leaders (Alexiadou, 2016).¹⁴

The IVs: Economic Crises and Personalized Electoral Systems

The explanatory variables for testing the first two hypotheses are the *2008 financial crisis*,¹⁵ and *monetary crises*¹⁶. Our definition of crisis is a situation of “extreme economic difficulty” that affects governance (Kahler & Lake, 2013, p. 32). The 2008 financial crisis is the only truly global financial crisis that has deeply affected European economies since the Great Depression. As such, it should have an important and direct effect on technocratic appointments as governments struggle to reform their economies. However, perhaps the most pressing economic problem for West Europe in the eighties

¹² Experts are all the cabinet ministers, independently of their political background, with prior professional experience in economics, finance, academia, and the bureaucracy.

¹³ Four years is the most common length of term of government in most parliamentary systems.

¹⁴ Table 2A in the Appendix provides the breakdown of finance ministers by country and Figure 1 and Table 4 in the online Appendix provide information on the professional background of technocrat finance ministers.

¹⁵ Where years before 2008 are zeros and after 2008 are ones.

¹⁶ Coded as 1 when inflation or currency crises took place and 0 otherwise. Currency and Inflation crises are taken from the Reinhart and Rogoff (2009) crises dataset.

and early nineties was to control inflation and defend their currencies against external pressures (Walter, 2013). We include both the 2008 financial crisis and monetary crises to test whether technocratic appointments are unique to the Great Recession or have taken place during earlier economic dislocations.

Our central explanatory variable for testing Hypothesis 3 is the *personalization of the electoral system* interacted with economic crises. According to Hypothesis 3, prime ministers should appoint heavyweights and experienced politicians to the portfolio of finance when they are faced with weak party discipline, and technocrats when the risk of agency loss by their finance ministers is high i.e. in more personalized electoral systems during times of economic crisis.

We follow Depauw and Martin (2009) and André and Depauw (2014) to code electoral systems as more personalized and competitive. According to the authors, both first past the post and open list electoral systems are candidate centered electoral environments. In addition, in open list systems, intra-party competition increases with district magnitude. Accordingly, first, we code the binary variable *open list and SMDP systems* based on coding of the Electoral System Change in Europe dataset (Pilet, Renwick, Lidia Núñez, Reimink, & Simón, 2016).¹⁷ Then, we interact the open list variable with average district magnitude taken from Bormann and Golder (2013). The newly created variable *personalized electoral systems* ranges from 0 to 20 with a mean of 5.36.

¹⁷ Following André and Depauw (2014) we code Netherlands and Norway as closed list systems, even though they are semi-open lists, as the impact of preferential votes in these countries is negligible.

Alternative explanations and control variables: technocrats as agents or as compromise appointments in divided governments.

In this paper we argue that technocrats are appointed during major economic crises primarily due to their known commitment to pro-market reform policies unlike elected politicians. However, technocrats, similar to non-partisan ministers as Amorim and Strom (2006) argue, could also be seen as compromise appointments between coalition partners in multiparty cabinets that are divided over the best course of action. If technocrats are more likely to be appointed when economic policy is shared between two parties, then technocrats are appointed to resolve differences between coalition partners. If, however, technocrats are appointed to resolve agency problems between the prime minister and her cabinet ministers, then we should find the opposite result; that technocrat finance ministers are more likely to be appointed by prime ministers when they are in charge of economic policy, i.e when their party controls the portfolio of finance.

Prime ministers, who are fully in charge of economic policy, face more acute agency problems than when they share that responsibility with other parties. Recent evidence suggests that voters tend to punish disproportionately the prime minister's party for poor macroeconomic outcomes, in particular when her party controls the portfolio of finance (Duch & Stevenson, 2008; Narud & Valen, 2008). The political cost of adopting unpopular reforms for the prime minister and her party are lower when economic policy is shared with coalition partners than if she governs in a single party government or when she is the largest party in a coalition and is in charge of economic policy (Duch & Stevenson, 2008; Powell & Whitten, 1993).

To sum up, if our argument is correct, that technocrats address problems of agency during financial crises, we should find that prime ministers appoint technocrats to the visible portfolio of finance when their party controls the portfolio of finance. If, on the other hand, technocrats are appointed primarily to achieve agreement within divided cabinets then we should find that they are more likely to be appointed when the prime minister's party shares the responsibility over economic policy with other parties, and in multiparty cabinets. To test these alternatives we include the dummy indicator that codes whether the *PM's party controls the portfolio of finance*. In addition we include the control, *multiparty cabinet* (Armingeon, Weisstanner, Engler, Potolidis, & Gerber, 2012).

We also include the following control variables. *Left PM*, the left-right *Rile measure for the PM's party*, and *semi-presidentialism*. Left prime ministers are associated with more appointments of experts during periods of economic distress (Hallerberg & Wehner, 2017; Kaplan, 2017) while semi-presidential systems are associated with a larger percentage of appointments of non-partisans (Amorim & Strom, 2006).

Empirical Analysis: Models of ministerial appointments

We present our findings in Tables 2 and 3. The models of ministerial appointments are estimated with logistic regression and robust standard errors clustered by country. The results are robust and do not change with the inclusion of country fixed effects. The reported coefficients are in odds ratios.

As we expect, economic crises significantly increase the probability of appointing technocrats and of high-ranking politicians to the portfolio of finance. Specifically, the

odds of appointing technocrats and high rank finance ministers are six times higher during the 2008 Great Recession than during periods of stable economic conditions. The monetary and inflation crises of the eighties and the nineties also increased the odds of these appointments but by half compared to the 2008 financial crisis. Importantly, there is no evidence that expertise is what PMs seek when they appoint finance ministers during economic crises. Crises have a smaller effect on expert ministers who have a high rank in the party compared to high-ranking ministers (see Equations 5 and 6 of Table 2). Additionally, crises do not predict the appointments of expert finance ministers. Against common expectations, neither the monetary crises of the eighties and nineties nor the 2008 crisis predicts the appointments of expert cabinet ministers in the linear, non-interactive models in Table 2.

Moving to Table 3 whereby the effects of economic crises are modified by the electoral system, we find strong support in favor of *Hypothesis 3a* and against *Hypothesis 3b*. The odds of appointing an experienced politician to the finance portfolio over a non-experienced politician are seven times higher during the 2008 financial crisis, but only in closed-list electoral systems. Similarly, the odds of appointing a high-ranking party member are five times higher during the 2008 Great Recession, but mostly in closed list electoral systems. In stark contrast, in personalized electoral systems, PMs are considerably more likely to appoint technocrats and considerably less likely to appoint experienced politicians. These conditional effects are clearly illustrated in Figures 1 and 2, and provide strong support for *Hypothesis 3a*.

The findings in Table 3 provide strong and consistent evidence that technocrats are primarily appointed to the highest economics portfolio to address lack in policy

commitment and agency problems that PMs face during financial crises. We fail to find any support that experienced politicians would be appointed in open-list electoral systems to address low party discipline induced by the financial crises. We find the exact opposite: high-ranking ministers are appointed in closed-list electoral systems during crises. Only in competitive and personalized electoral systems, PMs prefer technocrats over experienced or high-ranking politicians. This is consistent with our expectation that PMs choose technocrats not for their expertise but because they seek to address problems of low policy commitment from their top cabinet ministers.

To sum up, Tables 2 and 3 provide strong evidence that ministerial appointments differ dramatically between open and closed list political systems. PMs are significantly more likely to appoint politically experienced, and high-ranking party cabinet ministers, in less competitive and more party-centered electoral systems. These results indicate not only that technocrats are appointed because of their higher commitment to policy reform, but also that PMs fear that more experienced politicians will be the ones with the least commitment to reform compared to novices who tend to be more loyal (Alexiadou, 2015).

Regarding alternative explanations and control variables, we find that technocrats are more likely to be appointed when the PM's party controls the portfolio of finance than when it has shared control of the economy with other coalition partners. This finding indicates that technocrats are not appointed to reach a compromise between coalition partners (Amorim & Strom, 2006). In addition, the type of the government, whether it is multiparty or not fails to predict the appointments of technocrats, but positively predicts the appointments of high-ranking ministers. Finally, neither the party family nor the left-

right position of the PM's party reaches statistical significance. These results hold controlling for semi-presidentialism, which positively predicts the appointments of technocrats.

Table 2: The effects of economic crises on the appointments of finance ministers

	(1) Technocrats	(2) Experts	(3) Experienced	(4) Experienced & Experts	(5) High Rank	(6) High Rank & Experts
Monetary Crisis	2.327* (1.062)	0.831 (0.303)	1.083 (0.247)	0.837 (0.371)	2.703** (1.283)	2.403 (1.402)
2008 Fin Crisis	7.936** (6.656)	1.582 (0.975)	2.081 (1.457)	1.687 (0.988)	6.305*** (2.792)	3.158** (1.446)
Personalized Sys.	1.009 (0.0302)	0.997 (0.0465)	1.069** (0.0295)	1.068* (0.0394)	0.965 (0.0571)	0.927 (0.0621)
PM Controls Fin.	2.831*** (0.920)	4.055*** (1.732)	2.186 (1.404)	5.082*** (2.259)	0.330 (0.271)	1.053 (0.782)
Multiparty	1.682 (1.805)	1.176 (1.019)	2.176 (1.222)	1.563 (0.907)	3.755*** (1.141)	0.700 (0.555)
Left PM	0.922 (0.484)	0.957 (0.494)	1.008 (0.446)	0.861 (0.420)	0.588 (0.516)	1.011 (0.855)
PM's Rile	0.988 (0.0259)	0.998 (0.0103)	0.987 (0.0122)	0.988 (0.0156)	1.007 (0.0119)	1.006 (0.0109)
Semi-Pres	1.988 (1.059)	0.964 (0.396)	1.190 (0.738)	0.694 (0.344)	0.824 (0.158)	0.832 (0.314)
Constant	0.00812*** (0.0106)	0.580 (0.429)	0.0552*** (0.0446)	0.0240*** (0.0169)	0.206 (0.221)	0.0816** (0.0942)
Observations	444	444	444	444	444	444
No of countries	13	13	13	13	13	13

Robust se in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Table 3: Identifying PMs' motivations for appointing technocrats and experienced ministers

	(1) Technocrats	(2) Experts	(3) Experienced	(4) Experienced & Experts	(5) High Rank	(6) High Rank & Experts
Monetary Crisis	1.481 (0.613)	0.859 (0.500)	1.010 (0.539)	1.264 (0.801)	2.792** (1.177)	1.536 (1.244)
2008 Fin Crisis	3.003** (1.447)	1.012 (0.634)	7.190*** (5.351)	4.704** (2.891)	5.294*** (3.060)	2.456* (1.129)
Personalized Sys.	0.954 (0.0392)	0.986 (0.0531)	1.104*** (0.0418)	1.109*** (0.0433)	0.961 (0.0575)	0.914 (0.0519)
Person*Mon. Crisis	1.102*** (0.0327)	0.987 (0.0563)	1.039 (0.0503)	0.952 (0.0757)	0.990 (0.0692)	1.101 (0.102)
Personalized*2008Crisis	1.250** (0.122)	1.099 (0.0822)	0.764*** (0.0578)	0.797** (0.0758)	1.033 (0.0719)	1.050 (0.0596)
PM Controls Fin.	3.443*** (1.254)	4.500*** (2.048)	1.804 (1.305)	5.006*** (2.304)	0.338 (0.279)	1.099 (0.811)
Multiparty	1.899 (1.996)	1.323 (1.210)	1.776 (0.997)	1.483 (0.842)	3.866*** (1.335)	0.716 (0.555)
Left PM	1.228 (0.534)	1.015 (0.546)	0.956 (0.390)	0.764 (0.360)	0.588 (0.517)	1.099 (0.937)
PM's Rile	0.993 (0.0251)	1.000 (0.0105)	0.981 (0.0122)	0.984 (0.0156)	1.008 (0.0128)	1.008 (0.0122)
Semi-Pres	2.397 (1.523)	1.091 (0.423)	1.007 (0.621)	0.546 (0.278)	0.862 (0.222)	0.930 (0.354)
Constant	0.00621*** (0.00837)	0.518 (0.396)	0.0557*** (0.0492)	0.0203*** (0.0130)	0.205 (0.219)	0.0799** (0.0915)
Observations	444	444	444	444	444	444
Number of countries	13	13	13	13	13	13

Robust se in parentheses

*** p<0.01, ** p<0.05, * p<0.1

Figure 1

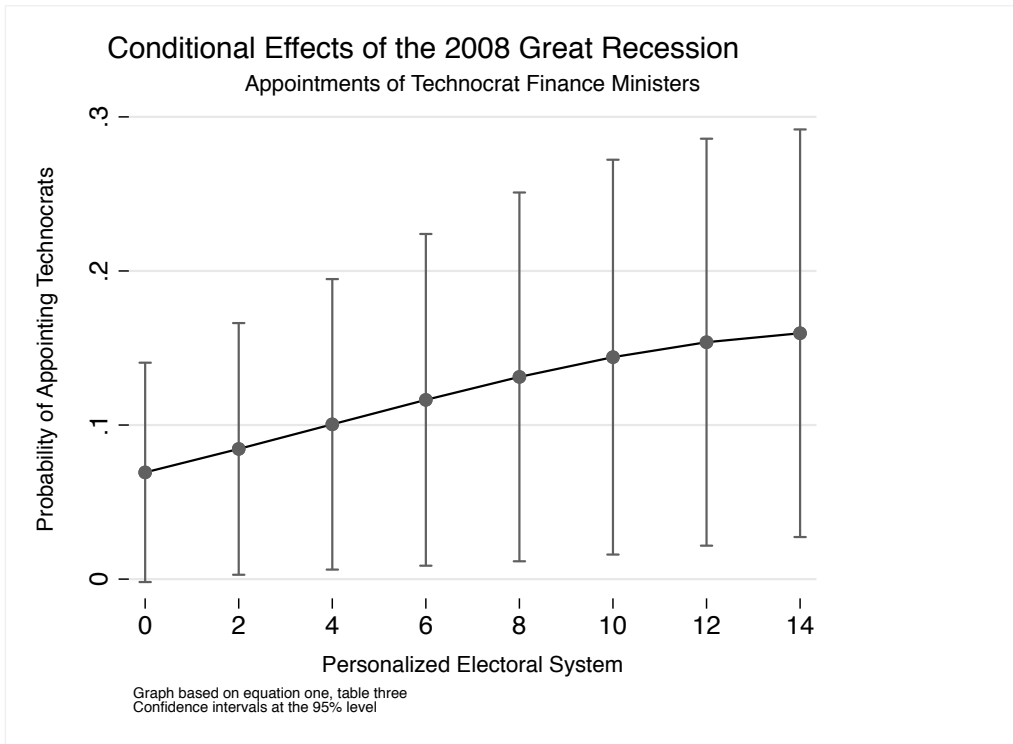
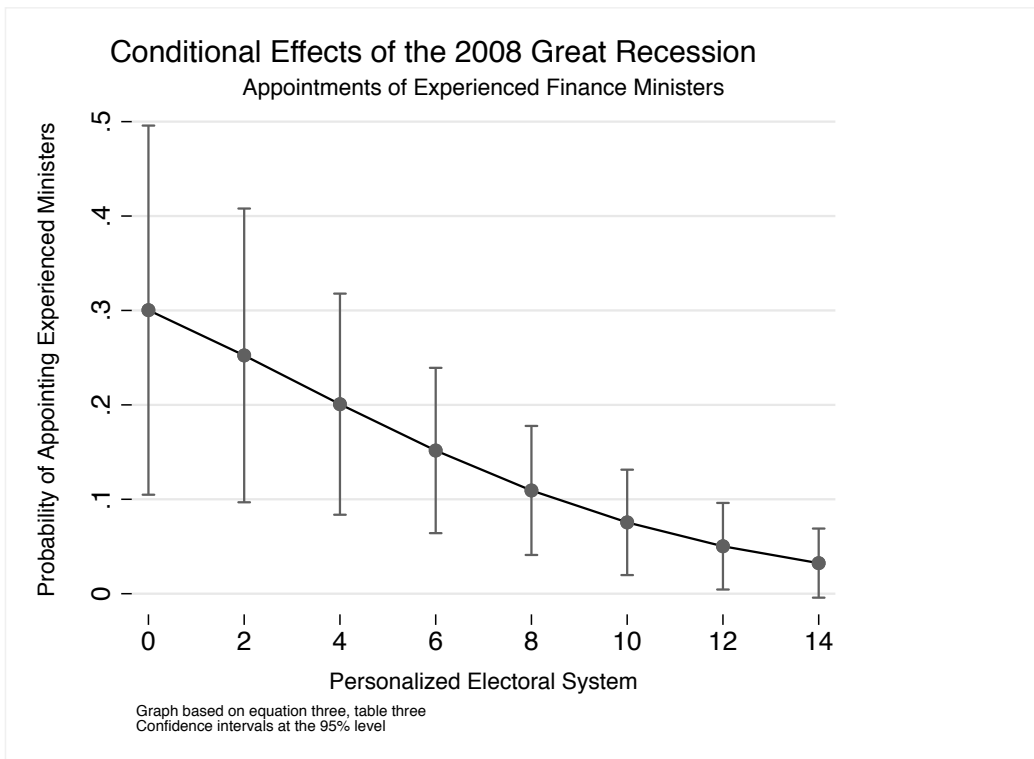


Figure 2



Taken together, the empirical findings of Tables 2 and 3 have important implications for the effects of economic crises on executive politics in Europe and the role of technocrats in policymaking processes. While economic crises have substantial effects on ministerial appointments and governance, they do not necessarily pose a threat to party government. During economic crises, PMs turn to both high-ranking politicians, as well as to technocrats to manage the crisis. This result holds for both the monetary crises during the eighties and the nineties as well as for the 2008 financial crisis. Therefore, the surge in the appointments of technocrats since 2008 is not unique. Technocrats are not the only experts called to handle major financial crises. Experienced politicians with expertise are also more likely to be appointed during major economic dislocations. Furthermore, technocrats are not appointed to resolve policy disputes between coalition partners. Instead, they are typically appointed by PMs who are in charge of economic policy. This finding is in line with research on technocratic appointments across government portfolios (Back & Persson, 2018).

Crucially, whom PMs appoint during major economic crises depends on the personal political costs that individual politicians are likely to suffer, which is a direct consequence of the electoral system. In closed list systems PMs are more likely to appoint experienced politicians during economic crises, as one would expect. This is exactly what happened in Spain, which has a closed-list PR system, in 2011.¹⁸ The newly elected center-right PM, Rajoy, appointed Cristóbal Montoro as his treasury minister, an

¹⁸ Portugal has a similar electoral system as Spain however it is an exception. Even accounting for its semi-presidential system, Portugal is unique in West Europe in that historically more than half of all the finance ministers appointed are technocrats (Antonio Costa Pinto & Almeida, 2016; António Costa Pinto et al., 2017).

economist, former finance minister and party spokesperson on economic issues. Montoro's choice was praised by the press as someone who had been loyal to the party, had knowledge of the portfolio and had proved his anti-deficit credentials (Moral, 2011). However, in more person-centered electoral systems, PMs rely more on technocrats than on their experienced ministers to handle economic reform. In Greece, which has a competitive, open-list electoral system, after the 2012 elections the newly elected prime-minister and leader of the Greek conservative party, Antonis Samaras, chose Ioannis Stournaras, an economics professor and non-partisan minister, as his finance minister. Stournaras was appointed with one clear mission: to adopt reforms that no party man is willing to adopt, and according to the Wall Street Journal he was the "best choice to take a job no one wanted" (Stamouli, 2012).¹⁹

Indeed, according to the Financial Times, Evangelos Venizelos, the party heavyweight of the Greek social democratic party of PASOK, was ranked as the worst finance minister in Europe in 2011. Despite his leverage within the party, Venizelos was too weak to implement the necessary reforms required by the lenders despite Greece's dire financial situation (Atkins & Whiffin, 2011). In sharp contrast, Stournaras, the non-

¹⁹ Italy, another crisis-hit and person-centered electoral system, went as far as to form a technocratic government. By 2011 and having lost credibility for failing to pass legislation that would cut the public deficit, Italian opposition MPs conceded in private that they "would rather let Mario Monti head a government of technocrats that would have to impose such unpopular decisions before elections scheduled for early 2013" (Dinmore, 2011).

elected professor in economics who succeed Venizelos (Stamouli, 2012) was ranked as one of the best finance ministers in 2012.²⁰

Discussion

The 2008 Great Recession deeply transformed the political systems of European countries, with populist parties of the left and the right gaining electoral support against more moderate, mainstream parties. At the same time, the number of technocrats appointed to the highest ministerial portfolio of finance more than doubled. Some scholars caution that technocratic solutions cannot counteract populism as technocratic governance and the de-politicization of economic policy could be partly responsible for the rise in populism (Berman, 2017). Others raise concerns regarding the systemic effects of the Great Recession on European party systems, drawing parallels with Latin America where debt crises weakened party governments and strengthened technocratic rule (Roberts, 2017). Indeed, populism and technocracy have more in common than it might appear at first. They are both anti-pluralist and both challenge the partisan-representational model of decision-making (Caramani, 2017).

²⁰ *“The best performing ministers in 2012 were Greece’s Yannis Stournaras, Portugal’s Vitor Gaspar, Ireland’s Michael Noonan and Italy’s Vittorio Grilli. They pushed for far-reaching and comprehensive reforms of a kind that have never seen before. They tightened fiscal policy despite widespread demonstrations. They stood up to populist voices and were ready to fight entrenched vested interests. Mr Stournaras deserves the highest grade: unlike his predecessors he managed-at last- to convince his government to implement a substantial fiscal tightening and long overdue structural reforms (Delpha, 2012).”*

We contribute to this important literature by developing a theory of ministerial appointments and by utilizing unique data on the professional and political background of finance ministers across 13 European democracies since 1980. We investigate the motivations that lie behind the appointments of technocrat finance ministers in Europe during two major economic crises; the inflationary crisis of the nineteen-eighties and the 2008 Great Recession.

In line with existing research we find that technocrats are more likely to be appointed during monetary and fiscal crises (Amorim & Samuels, 2010; Hallerberg & Wehner, 2017; Kaplan, 2017; Yong & Hazell, 2011). However, in contrast to these works we explicitly distinguish technocrats from experts and show empirically that expertise is not the driving motivation for appointing technocrats in Western Europe.

Building on Alesina and Tabellini (2007) we unpack expertise from effort to fully understand the role of outside experts in government, and more broadly the politics of ministerial appointments. Until now the literature has mostly treated experts and technocrats as inter-changeable. We argue and empirically illustrate that technocratic appointments differ substantially from the appointments of experts (Hallerberg & Wehner, 2017; Kaplan, 2017), as well as from the appointments of non-partisans (Amorim & Samuels, 2010; Amorim & Strom, 2006; Martinez-Gallardo & Schleiter, 2015). Our findings suggest that the fear of no policy reform is the main reason behind technocratic appointments during economic crises (Amorim & Samuels, 2010; Amorim & Strom, 2006; Martinez-Gallardo & Schleiter, 2015).

We are able to explore whether commitment or expertise drive the appointments of technocrats by conditioning them to the electoral system. The more personalized the

electoral system is, the more acute the commitment problem becomes, as ministers fear the punishment of voters for their austerity policies. Indeed, the results are telling. In closed list systems, prime ministers are significantly more likely to appoint heavyweights- with or without expertise- than technocrats. In direct contrast, in highly personalized electoral systems the likelihood of appointing heavyweights drops dramatically, while the likelihood of appointing technocrats increases.

Moreover, our findings show that the Great Recession has had important effects on the formation of cabinets in the European parliamentary democracies that do not immediately support the hypothesis of the weakening of party government. Even though the number of technocrats in the finance portfolio increased dramatically, so did the number of party heavyweights. The likelihood of appointing a technocrat finance minister is almost as high as of appointing a party heavyweight during the Great Recession. This is important evidence that party politics is still central in parliamentary governments.

To sum up, economic crises affect cabinet formation, interfering with the chain of delegation in parliamentary systems (Strom, 2000). Yet, PMs are as likely to appoint party heavyweights as they are to appoint technocrats during major economic crises. This indicates that crises are still mostly resolved through means of political competition than through technocracy. This finding provides an important insight to the recent debates regarding the role of technocrats in the indebted and economically weak countries of the European Monetary Union (EMU). While these countries might be facing similar dilemmas as many Latin American countries did in the eighties and nineties (Roberts, 2017), our findings indicate that technocrats have not as yet dominated the policymaking process.

Finally, our analysis shows that technocratic appointments are not unique to the 2008 Great Recession. Technocrats were appointed to the department of finance during the currency and inflation crises of the eighties and nineties. In this respect, the 2008 Great Recession has not been unique in its effects on economic governance (Kahler & Lake, 2013).

To be clear, we are not arguing that economic crises do not potentially weaken democratic representation. The inflationary crises of the eighties were associated with the rise in the appointments of technocrat finance ministers but also led to the political independence of central banks. It is certainly possible that European democracies have become more technocratic over the past thirty years and that the Great Recession will further bolster de-politicization. The European Stability Compact and the adoption of strict fiscal rules in many European countries (Doray-Demers & Foucault, 2017) points towards that way.

While our study provides novel insights on the effects of financial crises on democratic governance, it is not a comprehensive study on broader political effects of financial crises. As Roberts (2017) convincingly argues financial crises can have deep and long-term effects on the political system, depending on whether social-democratic or center-right parties implemented austerity measures. Moreover, economic crises can strengthen voters' support of technocratic governance (Bertsou & Pastorella, 2017).

Important questions arise from our work. Is partisanship an important factor behind the appointments of technocrats? In our current analysis, partisanship makes no difference for predicting the appointments of technocrats. However, an implication of our

findings is that social democrat PMs should be more pressed to appoint technocrats in more competitive and personalized electoral systems than in closed-list systems.

The most pressing question, however is to what extent technocrats are ultimately successful in implementing pro-market reforms. Are technocrats more effective policymakers than their elected expert colleagues? Do parties benefit from these appointments or do voters see them as weak? Do markets trust technocrat finance ministers and are technocrats able to shorten the economic impact of the economic crises? Scholars have started to investigate the role of individuals in policymaking (Alexiadou, 2016; Baturo, 2016; António Costa Pinto et al., 2017), but there are still a lot to be done.

Acknowledgments: We are grateful to many colleagues for their feedback and constructive suggestions. We thank Aníbal Pérez-Liñán, Hanna Bäck, Patrick Dumont, Kaare Strom, Lanny Martin, Jude Hays, Matt Golder, Sona Golder, Mark Hallerberg, Julia Gray, Covadonga Meseguer, James Morrison, Jeffrey Chwieroth, the participants of the 2013 EPSA panel on Economic Crises and Technocrats, and the participants of the 2015 MPSA panel on the role of cabinet ministers organized by Patrick Dumont and Hanna Bäck. We are also thankful to the anonymous reviewers and the journal editors for their most helpful suggestions.

Bibliography

- Adolph, C. (2013). *Bankers, Bureaucrats, and Central Bank Politics: the myth of neutrality* New York: Cambridge University Press.
- Ainsley, C. (2017). The Politics of Central Bank Appointments. *Journal of Politics*, 79(4), 1205-1219.
- Alesina, A., & Tabellini, G. (2007). Bureaucrats or Politicians? Part I: A Single Policy Task. *American Economic Review*, 97(1), 169-179.
- Alesina, A., & Tabellini, G. (2008). Bureaucrats or politicians? Part II: Multiple policy tasks. *Journal of Public Economics*, 92, 426-447.
- Alexiadou, D. (2013). In Search of Successful Reform: The Politics of Opposition and Consensus in OECD Parliamentary Democracies. *West European Politics*, 36(4), 704-725.
- Alexiadou, D. (2015). Ideologues, Partisans and Loyalists: Cabinet Ministers and Social Welfare Reform in Parliamentary Democracies. *Comparative Political Studies*, 48, 1051-1086.
- Alexiadou, D. (2016). *Ideologues, Partisans and Loyalists: Ministers and Policy-Making in Parliamentary Cabinets*. Oxford: Oxford University Press.
- Amorim, O., & Samuels, D. (2010). Democratic Regimes and Cabinet Policis: A Global Perspective. *Revista Ibero-Americana de Estudos Legislativos*, 1(1), 10-23.
- Amorim, O., & Strom, K. (2006). Breaking the Parliamentary Chain of Delegation: Presidents and Non-Partisan Cabinet Members in European Democracies. *British Journal of Political Science*, 36(4), 619-643.
- André, A., & Depauw, S. (2014). District Magnitude and the personal vote. *Electoral Studies*, 35, 102-114.
- Armingeon, K., Guthmann, K., & Weisstanner, D. (2016). Choosing the path of austerity: how parties and policy coalitions influence welfare state retrenchment in periods of fiscal consolidation. *West European Politics*, 39(4), 628-647.
- Armingeon, K., Weisstanner, D., Engler, S., Potolidis, P., & Gerber, M. (2012). *Comparative Political Dataset I. 1960-2010*.
- Atkins, R., & Whiffin, A. (2011, November 22 2011). FT ranking of EU finance ministers: Striker amid stumblers. *Financial Times*.

- Bäck, H., Dumont, P., Meir, H. E., Persson, T., & Vernby, K. (2009). Does European Integration Lead to a 'Presidentialization' of Executive Politics? *European Union Politics*, 10(2), 226-252.
- Back, H., & Persson, T. (2018). No More Political Insiders? Ministerial Selection in Sweden During the Post-WWII Period. In A. C. Pinto, M. Cotta, & P. T. d. Almeida (Eds.), *Technocratic Ministers and Political Leadership in European Democracies*. Switzerland: Palgrave Macmillan.
- Baturo, A. (2016). Cursus Honorum: Personal Background, Career and Experience of Political Leaders in Democracy and Dictatorship- New Data and Analyses. *Politics and Governance*, 4(2), 138-157.
- Belinski, S., Dewan, T., & Dowding, K. (2007). The Length of Ministerial Tenure in the UK 1945-1997. *British Journal of Political Science*, 37(2), 245-262.
- Berman, S. (2017, December 20 2017). Populism is a Problem. Elitist Technocrats Aren't the Solution. *Foreign Policy*.
- Bertsou, E., & Pastorella, G. (2017). Technocratic attitudes: a citizens' perspectives of expert decision-making. *West European Politics*, 40(2), 430-458.
- Bickerton, C., & Accetti, C. I. (2017). Populism and technocracy: opposites or complements? *Critical Review of International Social and Political Philosophy*, 20(2), 186-206.
- Blondel, J. (1991). Cabinet Government and Cabinet Ministers. In J. Blondel & J.-L. Thiebault (Eds.), *The Profession of Government Minister in Western Europe* (pp. 5-18). London: Macmillan.
- Blondel, J. (1993). Individual Ministers and their Role in Cabinet Decision Making. In J. B. a. F. Muller-Rommel (Ed.), *Governing Together: The extent and limits of Join-decision making in Western European Cabinets*. London: St Martin's Press.
- Bodea, C., & Hicks, R. (2015). Price stability and central bank independence: Discipline, credibility, and democratic institutions. *International Organization*, 69(1), 35-61.
- Bormann, N.-C., & Golder, M. (2013). Democratic electoral Systems Around the World, 1946-2011. *Electoral Studies*, 32, 360-369.
- Camerlo, M., & Perez-Linan, A. (2015). The Politics of Minister Retention in Presidential Systems: Technocrats, Partisans, and Government Approval. *Comparative Politics*, 47(3), 315-333.

- Caramani, D. (2017). Will vs Reason: The Populist and Technocratic Forms of Political Representation and Their Critique to Party Government. *American Political Science Review*, 111(1), 54-67.
- Chassany, A.-S., & Hal, B. (2017, May 8 2017). Emmanuel Macron swwps to victory in French presidential election. *Financial Times*.
- Cioffi, J. W., & Dubin, K. A. (2016). Commandeering Crisis: Partisan Labor Repression in Spain under the Guise of Economic Reform. *Politics and Society*, 44(3), 423-453.
- Dargent, E. (2015). *Technocracy and Democracy in Latin America*. New York: Cambridge University Press.
- Delpha, J. (2012, November 21 2012). Verdict from the seven judges. *Financial Times*.
- Depauw, S., & Martin, S. (2009). Legislative Party Discipline and Cohesion in Comparative Perspective. In D. Giannetti & K. Benoit (Eds.), *Intra-Party Politics and Coalition Governments* (pp. 103-120). Abingdon: Routledge.
- Dewan, T., & Hortala-Vallve, R. (2011). The Three As of Government Formation: Appointment, Allocation, and Assignment. *Americal Journal of Political Science*, 55(3), 610-627.
- Dewan, T., & Myatt, D. P. (2010). The Declining Talent Pool of Government. *American Journal of Political Science*, 54(2), 267-286.
- Dinmore, G. (2011, November 6 2011). Berlusconi fights to stave off party revolt. *Financial Times*.
- Dominguez, J. I. (1997). *Technopols: Freeing Politics and Markets in Latin America in the 1990s*. University Park: Pennsylvania State University Press.
- Doray-Demers, P., & Foucault, M. (2017). The Politics of fiscal rules within the European Union: a dynamic analysis of fiscal rules stringency. *Journal of European Public Policy*, 24(6), 852-870.
- Drazen, A. (2000). *Political Economy in Macroeconomics*. Princeton, New Jersey: Princeton University Press.
- Drazen, A., & Ozbay, E. Y. (2015). *Does "Being Chosen to Lead" Induce Non-Selfish Behavior? Experimental Evidence on Reciprocity*. University of Maryland.
- Duch, R. M., & Stevenson, R. T. (2008). *The Economic Vote: How Political and Economic Institutions Condition Election Results*. New York: Cambridge University Press.
- Fischer, F. (1990). *Technocracy and the Politics of Expertise*. Newbury Park: Sage.

- Folke, O., Persson, T., & Rickne, J. (2016). The Primary Effect: Preference Votes and Political Promotions. *American Political Science Review*, 110(3), 559-578.
- Freeman, J. R. (2002). Competing commitments: Technocracy and democracy in the design of monetary institutions. *International Organization*, 56(4), 889-910.
- Giger, N., & Nelson, M. (2011). The electoral consequences of welfare state retrenchment: Blame avoidance or credit claiming in the era of permanent austerity? *European Journal of Political Research*, 50(1), 1-23.
- Gourevitch, P. (1986). *Politics in Hard Times*. Ithaca & London: Cornell University Press.
- Grossman, G. (2014). Do Selection Rules Affect Leader Responsiveness? Evidence from Rural Uganda. *Quarterly Journal of Political Science*, 9(1), 1-44.
- Hall, P. A. (2013). The political origins of our economic discontents. In M. Kahler & D. A. Lake (Eds.), *Politics in the New Hard Times*. Ithaca and London: Cornell University Press.
- Hallerberg, M. (2004). *Domestic Budgets in a United Europe: Fiscal Governance from the end of Bretton Woods to EMU*. Ithaca: Cornell University Press.
- Hallerberg, M., & Wehner, J. (2017). When do you get economists as policy-makers? *British Journal of Political Science*.
- Hope, K. (2013, June 24 2013). Greek PM Samaras reshuffles cabinet in bid to avert snap election. *Financial Times*.
- Iversen, T., & Soskice, D. (2015). Democratic Limits to Redistribution. *World Politics*, 67(2), 185-225.
- Jochimsen, B., & Thomasius, S. (2014). The perfect finance minister: Whom to appoint as finance minister to balance the budget. *European Journal of Political Economy*, 34, 390-480.
- Kahler, M., & Lake, D. A. (Eds.). (2013). *Politics in the new hard times: The great recession in comparative perspective*. Ithaca & London: Cornell University Press.
- Kaplan, S. B. (2017). Partisan technocratic cycles in Latin America. *Electoral Studies*, 45, 219-229.
- Korpi, W., & Palme, J. (2003). New Politics and Class Politics in the Context of Austerity and Globalization: Welfare State Regress in 18 Countries, 1975-95. *American Political Science Review*, 97(3), 425-446.

- Martin, L. W., & Vanberg, G. (2011). *Parliaments and Coalitions: The Role of Legislative Institutions in Multiparty Governance*. Oxford: Oxford University Press.
- Martinez-Gallardo, C., & Schleiter, P. (2015). Choosing Whom to Trust: Agency Risks and Cabinet Partisanship in Presidential Democracies. *Comparative Political Studies*, 48(2), 231-264.
- McDonnell, D., & Valbruzzi, M. (2014). Defining and classifying technocrat-led and technocratic governments. *European Journal of Political Research*, 53(4), 654-671.
- McMenamin, I., Breen, M., & Munoz-Portillo, J. (2014). Austerity and credibility in the Eurozone. *European Union Politics*, 16(1), 45-66.
- Moessinger, M.-D. (2014). Do the personal characteristics of finance ministers affect changes in public debt? . *Public Choice*, 161, 183-207.
- Moral, R. d. (2011). Cristóbal Montoro, premio a la lealtad política. *EFE Newswire*.
- Narud, H. M., & Valen, H. (2008). Coalition Membership and Electoral Performance. In K. Strom, W. C. Muller, & T. Bergman (Eds.), *Cabinets and Coalition Bargaining*. Oxford: Oxford University Press.
- Nelson, F. (2012, April 14, 2012). Sweden's secret recipe: Advice from a successful- and tax-cutting- finance minister. *The Specator*.
- OECD. (2011). *Limiting long-term unemployment and non-participation*. Retrieved from Paris:
- Ollivaud, P., & Turner, D. (2015). The effect of the global financial crisis on OECD potential output. *OECD Journal: Economic Studies*.
- Papaconstantinou, G. (2016). *Game Over: The inside story of the Greek crisis*: George Papaconstantinou.
- Pilet, J.-B., Renwick, A., Lidia Núñez, Reimink, E., & Simón, P. (2016). *Database of Electoral Systems*.
- Pinto, A. C., & Almeida, P. T. d. (2016). *The Primacy of Experts? Non-partisan ministers in Portuguese democracy*. Paper presented at the 24th World Congress of Political Science, Poznan, Poland.
- Pinto, A. C., Cotta, M., & Almeida, P. T. d. (Eds.). (2017). *Technocratic Ministers and Political Leadership in European Democracies*. London: Palgrave Macmillan.
- Powell, G. B., & Whitten, G. D. (1993). A Cross-National Analysis of Retrospective Voting: Integrating Economic and Political Variables. *American Journal of Political Science*, 37, 391-414.

- Radaelli, C. (1999). *Technocracy in the European Union*. London: Longman.
- Reinhart, C. M., & Rogoff, K. S. (2009). *This Time is Different: Eight Centuries of Financial Folly*. Retrieved from: <http://www.reinhartandrogoff.com/data/>
- Roberts, K. (2017). State of the Field: Party politics in hard times. *European Journal of Political Economy*, 56(2), 218-233.
- Rosanvallon, P. (2011). *Democratic Legitimacy: Impartiality, Reflexivity, Proximity*. Princeton, New Jersey Princeton University Press.
- Santiso, J. (2003). *The political economy of emerging markets*. New York: Palgrave Macmillan.
- Stamouli, N. (2012). The Toughest Job in the World? . *The Wall Street Journal*.
- Strom, K. (2000). Delegation and Accountability in Parliamentary Democracies. *European Journal of Political Research*, 77, 261-289.
- Times, F. (2017, February 6 2017). Padoan to remain as Italian finance minister in new government. *Financial Times*.
- Walter, S. (2013). *Financial Crises and the Politics of Macroeconomic Adjustments*. Cambridge: Cambridge University Press.
- Welzelburger, G., & Staff, H. (2017). The 'third way' and the politics of law and order: Explaining differences in law and order policies between Blair's New Labour and Schröder's SPD. *European Journal of Political Research*, 56(3), 553-577.
- Winter, L. d. (1991). Parliamentary and Party Pathways to the Cabinet. In J. Blondel & J.-L. Thiebault (Eds.), *The Profession of Government Minister in Western Europe* (pp. 44-69). London: Macmillan.
- Yong, B., & Hazell, R. (2011). *Putting Goats Amongst the Wolves: Appointing Ministers from Outside the Parliament*. UCL, London.