Who governs? Professional Politicians, Wall Street or the People?

The Professional and Political Background of Cabinet ministers in 18

parliamentary democracies.¹

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This paper asks to what extent changes in the profiles of politicians reflect changes in party ideology over time. Do individual politicians drive party policy or the other way around? These are critical questions for understanding political representation and political party transformation over time. To answer these questions I have collected data that map changes in the professional, educational and political backgrounds of cabinet ministers over time. This new dataset has unique biographical information of cabinet ministers in 18 parliamentary democracies from 1945 to 2012. Specifically, I have collected and coded information on the educational and professional background of cabinet ministers, their partisan affiliation and seniority in their political party, their political professional experience in the parliament and parliamentary committees as well as their experience in government cabinets. Preliminary results show that over time, ministerial professionalization has increased, measured in terms of years in the parliament as well as years in the legal profession. In addition, more economics ministers have corporate background and fewer have working-class background. These changes strongly correlate with a right-ward shift in political party ideology, as measured by political parties' electoral manifestos.

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Introduction

Who governs us? The Oscar winning documentary 'Inside Job' blamed revolving door politics for the 2008 financial crisis. According to the documentary, the de-regulation of the financial industry was the outcome of senior political appointments directly from Wall Street. During the last twenty years a number of US Treasury secretaries were leading Wall-Street figures, such as the former Goldman Sachs bankers, Henry Paulson and Robert Rubin. It is no wonder then that the US government is often perceived as "a Wall Street government".²

At the same time some argue that the professionalization of politics, understood as an increase in the number of politicians whose professional career has been solely political either in the form of political appointments or in the form of back-office work, such as being an advisor to a political party or a politician, threatens representation (Allen 2013a). A recent report from the House of Commons, the British lower parliament, shows that the number of professional politicians has risen from 3% in 1979 to 15% in 2010 (McGuinness 2010). However, this number is even higher once we look at the background of cabinet ministers (Allen 2013b).

The goal of this paper is not to test the revolving door hypothesis or to address questions of representation in parliamentary democracies. This paper is exploratory. It asks how does the political and professional background of top cabinet ministers, and primarily of ministers who shape economic policy change over time? Secondly, the paper seeks to provide some preliminary evidence regarding the causes that drive these changes. Do ministers' profiles change over time due to globalization and the dominance of capitalism or does evolving party ideology affect ministerial appointments?

² This is a famous in 'Inside Job' quote by Robert Gnaizda, activist, founder of Greenlining Institute and former California's Health Director.

Utilizing a new dataset on the professional and political background of cabinet ministers in 18 parliamentary democracies I am able to investigate whether parliamentary cabinets are stable in their ministers' profile over time, or whether they are becoming more professionalized and more "Wall Street cabinets". In addition, I explore the possibility that changing party ideology and globalization drive ministerial appointments.

The paper is developed in the following way. First I present the data and then I provide summary statistics regarding cabinet ministers' professional background and political experience. Then, using simple graphs, I explore the effect of time, globalization and party ideology on ministerial appointments. The last part of the paper concludes.

The data

I have compiled a new and unique dataset on the appointments and personal background of select cabinet ministers in 18 parliamentary democracies, starting as early as 1945.³ To my knowledge, this is the first cross-country dataset that spans over half a century, and which provides detailed background information on a select number of ministerial portfolios. Scholars who have been studying questions of government formation have utilized the rich datasets on party portfolio control compiled by Woldendorp, Keman and Budge (2000) or by Muller and Strom (2000). However, these datasets do not identify individual ministers; in addition, they do not code changes in the control of portfolios by political parties, and certainly not by cabinet ministers during the life of a cabinet. On the other hand, scholars who study political careers have compiled detailed biographical data on cabinet ministers but these tend to be confined to a single country. Escobar-Lemmon and Taylor-Robinson (2013) are the only researchers that have put together a cross-country and detailed dataset on ministers' background in a select number of Latin American countries. The Global Leadership Project⁴ is the most comprehensive dataset

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³ Table 1 of the Appendix presents the country/years included in the dataset.

⁴ http://www.globalleadershipproject.org/

with individual level data on decision-makers, including governments, parliaments and the judiciary in 162 countries. However, this dataset is cross sectional so far.

My dataset consists of ministerial appointments to the portfolios of the prime minister, the deputy prime minister, as well as the ministers of foreign affairs, economics, finance, budget- when applicable- health, employment and social affairs. The central aim of the dataset is to identify the individual minister who is responsible for the policies of foreign affairs, economics, finance, health, employment and social affairs. This information has been collected by relying firstly, on formal governmental websites, secondly on the international Who's Who, and thirdly on Wikipedia. The information has been checked across data sources by at least two different coders.

The unit of analysis in the original dataset is individual ministers nested in cabinets, which in turn are nested in governments of 18 parliamentary countries. In other words, the dataset is structured at four different levels; individual ministers, cabinets, governments and countries. An original feature of this dataset is that it traces ministerial changes within the life of a government. This includes both individual ministerial reshuffles and cabinet wide-reshuffles, but only with respect to the 8 portfolios under study. Thus, in countries where ministerial and cabinet reshuffles are very common, the number of ministerial appointments can be substantially higher than in countries where ministers have longer tenures in a portfolio. For example, the dataset codes 39 ministerial appointments in the portfolio of social affairs in Greece in the last 38 years, when the number for similar ministerial appointments in the Netherlands is only 13. Furthermore, the number of appointments is often different from the actual number of ministers since a new appointment is coded every time there is a reshuffle in one of the 8 portfolios under study. Thus, regarding the Greek social affairs ministers, 31 individual ministers of social affair were appointed during the last 38 years, while the number of appointments due to governmental and ministerial changes in the dataset is 39.

The dataset identifies one minister per cabinet who is responsible for a portfolio. While this assumption is rather strict given that in many cases more than one ministers co-

decide on a policy, it is also a reasonable assumption to the extent that one minister is ultimately responsible for drafting a bill and only one minister is accountable to the cabinet, the parliament and voters over his or her bill.

The data includes detailed background biographical information for the ministers who control the 8 portfolios in the study. The following information has been collected: name, year of birth, place of birth, gender, party, party family (and all relevant information regarding their political party), education level and education field, profession prior to entering politics, the year of joining the political party, the year of election to the parliament, the year of first cabinet appointment, parliamentary committees the minister served that directly correspond to the ministerial appointment, whether he or she served as a junior minister to the portfolio of interest, whether the minister has a low or high party position, how many years he or she has been in the portfolio, and the number of years he or she has been a cabinet minister.

Professional background of cabinet ministers: exploring the professionalization of politics hypothesis

The descriptive statistics I present in this paper are based on the eight cabinet portfolios I have coded. At the same time, I pay particular attention to three key ministerial positions for economic outcomes, that of the prime minister, the finance minister and the minister of employment. While it is self-evident that prime ministers and ministers of finance are central in economic policy outcomes, the minister of employment is less obvious. Overall the department of employment is of lower visibility and political saliency than the department of foreign or internal affairs (Druckman and Warwick 2005). At the same time, ministers of employment deal with the two most important interest groups in economic policy-making: employers and trade unions. Ministers of employment are both government representatives towards these important interest groups, but they are also important brokers between the government and employers and trade unions. In addition, they participate in all inner-cabinet meetings regarding economic policy and thus can have a disproportionate impact on policy even if they are not as high profile as finance

ministers. In fact, to the extent that employment ministers are directly responsible for policies that affect employment growth, they are critical actors in macro-economic planning and management. Thus, students of economic policy should be particularly interested in who the ministers of employment are.

Table 1 provides an overview of the professional background of cabinet ministers in the 18 parliamentary democracies. The numbers reported in Table 1 are the sum of all the appointments for the cabinet ministers under study. To remind the reader, these sums are not the total number of ministers but of ministerial appointments, including ministerial reshuffles. What is important here is not the absolute number of ministerial appointments but the relative frequency of ministerial appointments of lawyers against civil servants, for example. The professional backgrounds with the highest frequency are highlighted.

Table 1 reveals that the majority of cabinet ministers is drawn from the ranks of lawyers, teachers and university professors, the bureaucracy, local politics and trade unions, in the case of employment ministers. On average most cabinet ministers (out of the eight portfolios included in the study) have exercised the legal profession. This is hardly surprising as lawyers are knowledgeable in constitutional affairs and are generally gifted orators, a skill that is critical for elected politicians. Ministers of employment are an exception in that the most common professional background for them is being a trade union official. This finding is also not surprising to the extent that cabinet ministers are critical brokers between the government and the industry they need to regulate or policy community their policies primarily affect. Perhaps a more surprising finding is that university professors and school teachers is, on average, a more common background profession than senior civil servants. Finally, local politics is another common source of ministerial recruitment.

Table 1: The professional background of cabinet ministers in 18 parliamentary democracies

Primary Prior Profession	All ministers	Prime minister	Finance minister	Employment minister
Economist	186	63	43	10
Finance/Banking	134	29	60	7
Executive	169	19	38	33
Businessman	107	27	17	17
Self Employed	119	25	11	23
Employee	107	12	9	26
Consultant	29	2	8	6
Lawyer	905	188	184	141
Policy advisor	191	42	18	17
Medical doctor	143	8	3	7
Engineer	55	6	8	13
Scientists	31	17	1	2
Humanities	48	0	1	5
Professors & Teachers	758	115	171	108
Journalists	173	27	19	18
Military	68	9	2	6
Civil Servant	545	67	81	82
Blue Collar	98	22	21	33
Living off politics	247	55	25	28
Full Time Trade Union	333	33	46	145
Full Time Employers' Org.	23	6	2	8
Full Time Interest group	30	2	6	7
Local Politics	366	69	56	87
European Parliament	31	0	4	4
Supranational Institution	47	7	7	1
Non-for Profit/ Charity	17	6	4	0
Other	56	6	9	5
Unknown	57	1	1	16

One might reasonably suspect that there is large cross-country variation in the dominant professional backgrounds of cabinet ministers for a number of historic, political and bureaucratic reasons. For example, there is a large literature on strong connection between the French state and its bureaucracy. Similarly, the links between political parties, governments and interest groups varies significantly by country with corporatist

economies having stronger links with trade unions than liberal economies (Hall and Soskice 2001).

To further investigate significant cross-country variations in the professional background of cabinet ministers, I group some of the major professions. Specifically, I created a new group with the name 'Professional Politicians' which sums three categories: local politics, living off politics and European Parliament. The second new category I include is Econ/Banking/Business, which includes the top four categories from Table 1, namely, Economists, Finance/Banking, Executives and Businessmen. As in Table 1, Table 2 reports only the percentages of the primary professional careers of cabinet ministers. Therefore, if a minister had two professional careers, such as a career in the legal profession and in local politics, I include only the career that he or she exercised for the longest period. In the appendix I provide tables, which count the secondary professions of cabinet ministers.

Table 2 provides a breakdown of the main professions by country. The results are striking in that, firstly, legal and political backgrounds dominate across the board, while at the same time there is considerable variation across countries. In Australia, Canada, Greece and Ireland the predominant profession for cabinet ministers is legal, while for Finland, France, Germany and Sweden the most common professional background is local, national and supranational politics. Also, Italy and Portugal stand out for the large number of cabinet ministers who have a background in education, while Austria and Denmark stand out for the large number of ministers with background in the trade union movement. Yet, in other countries one cannot single out any one category: in Belgium both legal and political backgrounds dominate over others, in Italy and New Zealand most ministers have a legal and educational background while in the UK an equal percentage of ministers have a legal and trade union background.

Table 2: Cabinet Ministers' Prior Professional Background by Country

Country	Legal Profession	Professional Politicians	Econ/Banking /Business	Professors/ Teachers	Union Officials	Bureaucrats
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Australia	0.33	0.11	0.02	0.06	0.08	0.14
Austria	0.03	0.18	0.21	0.04	0.40	0.01
Belgium	0.21	0.20	0.06	0.11	0.04	0.10
Canada	0.41	0.08	0.29	0.08	0.02	0.05
Denmark	0.04	0.12	0.08	0.15	0.21	0.07
Finland	0.04	0.17	0.13	0.11	0.03	0.13
France	0.07	0.37	0.13	0.04	0.00	0.27
Germany	0.19	0.34	0.11	0.06	0.08	0.08
Greece	0.29	0.05	0.05	0.22	0.01	0.05
Ireland	0.21	0.10	0.19	0.09	0.04	0.04
Italy	0.29	0.01	0.13	0.33	0.02	0.01
Netherlands	0.06	0.13	0.17	0.11	0.08	0.25
New Zealand	0.17	0.04	0.11	0.17	0.00	0.04
Norway	0.08	0.06	0.09	0.14	0.01	0.16
Portugal	0.07	0.00	0.09	0.56	0.01	0.11
Spain	0.14	0.01	0.07	0.26	0.00	0.42
Sweden	0.09	0.25	0.12	0.08	0.11	0.14
United Kingdom	0.14	0.12	0.12	0.10	0.14	0.05
Total	0.18	0.13	0.12	0.15	0.07	0.11

To sum up, Tables 1 and 2 inform us that politicians with legal and political professional background are generally more likely to make it to the highest office but that there is also considerable country variation. For example, many more cabinet ministers in Norway and Portugal have a background in education and the civil service than in politics. However, could it be the case that some professional backgrounds are on the rise and others are declining? Tables 1 and 2 do not allows us to investigate this question as they average professional backgrounds from 1945 to 2012. To do that one must look at how politicians' professional backgrounds evolve over time.

Figure 1 reveals that there is a strong basis for the hypothesis of the professionalization of politics. Having no other professional experience than directly a political one, is the only career path out of the main career paths that has been steadily on the rise. Specifically, on average, the legal background has been the predominant one over time. About 18% of all

cabinet ministers included in this study have had legal background. This was true in 1945 and is still true today. Similarly, a relatively large percentage of cabinet ministers have had a background in education of about 15%. In contrast, the percentage of ministers with background in top civil service job has been steadily declining from about 12 per cent to under 10 per cent. However, by far the most interesting finding is that the percentage of cabinet ministers who start their political carer either at the national level at a very young age or at the local level has steadily increased from about 6 per cent to over 20 per cent. This is a particularly strong result given the stability of other professional backgrounds over time. To sum up, the exploratory graphs on Figure1 provide strong evidence in favour of the hypothesis that politics is becoming more professionalized over time with legal and political backgrounds dominating other professional backgrounds, and even more importantly with political professional backgrounds increasing steadily over time.

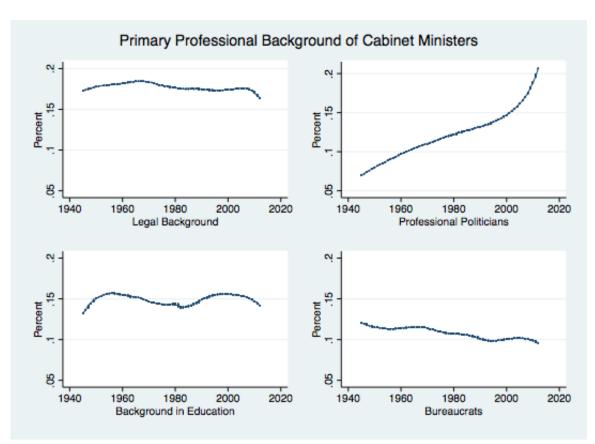


Figure 1: The Professionalization of Politics. Ministers' Professional Background Over Time

An alternative way to test whether politics has become more professionalized is to see whether longer parliamentary experience is required for top ministerial posts in recent times than in the past. If politics today is a full time vocation more than it has been, we would expect politicians with longer parliamentary experience to be more likely to be rewarded ministerial posts. If the opposite is true, if over time the number of people who live 'for' politics and those who live 'off' politics (Weber 1965) is stable, then we should find that ministers' parliamentary experience has not increased over time. Figure 2 shows the number of years it takes on average for a member of parliament before he is appointed to a top ministerial job. On average, members of parliament spent between 16 and 17 years on the parliamentary benches before they became prime ministers. For finance ministers the waiting time was lower, between 11 and 13 years. However, after the mid eighties, the years of parliamentary experience for both prime ministers and finance ministers have been steadily rising. In the two-thousands, on average, prime ministers have had twenty years of parliamentary experience, while finance ministers have had 15 years of experience.

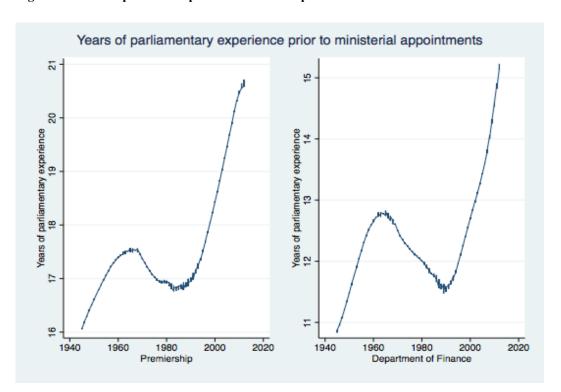


Figure 2: Years in parliament prior to ministerial posts

Professional background of cabinet ministers: exploring the Wall Street Government hypothesis

In the preceding section I showed that politicians' professional backgrounds evolve over time and that many more politicians, who enter office, have not had a job outside politics in recent years than in the past. Moreover, I showed that more years of parliamentary experience are required before politicians attain the highest office posts in the cabinet. In this section I explore the hypothesis that over time an increasing number of finance and employment ministers have a background in finance and banking. Indeed according to Figures 3 and 4 having a background in economics, banking or business has been steadily on the rise for both ministers of finance and of employment. Specifically, while for finance ministers having a financial and business background have always been common, the percentage of finance ministers with such background has increased from about 15% to 25%. The rise for ministers of employment has been much more dramatic, with a rise from about 5% to close to 20%.

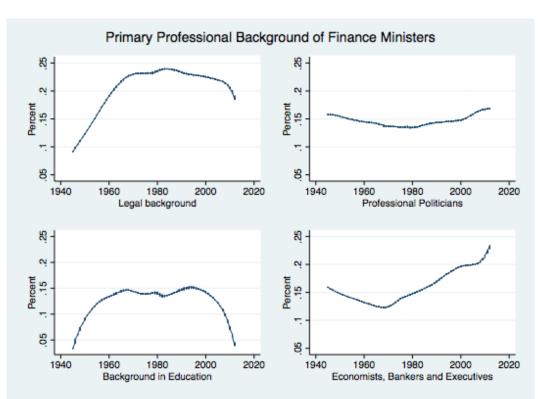


Figure 3: Professional Background o Finance Ministers Over Time

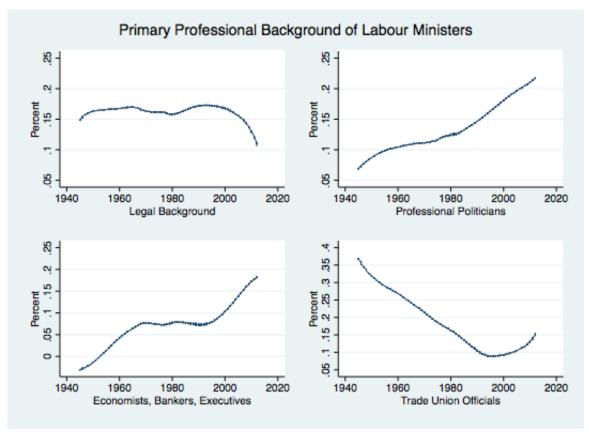


Figure 4: Professional Background of Employment Ministers

A second interesting piece of information reveals by Figure 4 is that employment ministers with political professional background have also been on the rise. On the other hand, employment ministers with background in the trade union movement have been steadily declining. Overall, while in 1960 30% of all employment ministers had a background in trade unions, 5% had a background in finance and business, and another 10% were professional politicians, the percentages are reversed in the two thousands with about 15% having a background in trade unions, close to 20% having a background in finance and business and almost 25% being professional politicians.

In other words, Figures 3 and 4 provide support to the hypothesis of the professionalization of politics as well as to the Wall Street government hypothesis. An increasing number of cabinet ministers, who make crucial economic and employment decisions, come from the industry or have a purely political background. One might ask

to what extent are these results driven by outliers? To answer this question I provide the summary tables for the major professional backgrounds of finance and employment ministers in Tables 3 and 4 respectively. Tables 3 and 4 reveal two new pieces of information. The first piece of information is that, unsurprisingly, in a large number of countries (Austria, Canada, France, Ireland, Netherlands, New Zealand) more than 20% of finance ministers have a background in economics, finance and business, and more than 10% in all other countries, with the exception of Greece and Germany. Thus, this preliminary data exploration indicates that upward average trend for finance ministers being directly recruited from the finance and business industry should apply to a large number of western parliamentary democracies.

Table 3: Primary Professional Background of Finance ministers by Country

Country	Legal Profession	Professional Politicians	Econ/Banking /Business	Professors/ Teachers	Union Officials	Bureaucrats
	Profession	Politicialis	/ Dusiliess	Teachers	Officials	
Australia	0.46	0.04	0.10	0.10	0.07	0.11
Austria	0.00	0.31	0.54	0.00	0.00	0.00
Belgium	0.42	0.18	0.09	0.18	0.00	0.03
Canada	0.56	0.00	0.42	0.00	0.00	0.02
Denmark	0.05	0.07	0.15	0.20	0.33	0.00
Finland	0.11	0.13	0.16	0.13	0.02	0.22
France	0.14	0.29	0.24	0.00	0.00	0.22
Germany	0.16	0.67	0.05	0.00	0.05	0.05
Greece	0.23	0.04	0.06	0.40	0.00	0.00
Ireland	0.35	0.11	0.27	0.00	0.00	0.00
Italy	0.27	0.00	0.20	0.44	0.01	0.02
Netherlands	0.00	0.00	0.26	0.32	0.06	0.21
New Zealand	0.20	0.04	0.36	0.16	0.00	0.04
Norway	0.14	0.02	0.14	0.06	0.00	0.27
Portugal	0.10	0.00	0.14	0.66	0.00	0.10
Spain	0.00	0.00	0.12	0.56	0.00	0.32
Sweden	0.00	0.12	0.10	0.27	0.24	0.15
United Kingdom	0.22	0.00	0.14	0.28	0.08	0.02
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Total	0.22	0.10	0.18	0.20	0.05	0.09

Table 4: Primary Professional background of Employment Ministers by Country

Country	Legal	Professional	Econ/Banking	Professors/	Union	Bureaucrats
	Profession	Politicians	/Business	Teachers	Officials	
Australia	0.38	0.03	0.03	0.04	0.24	0.17
Austria	0.00	0.00	0.09	0.00	0.86	0.00
Belgium	0.12	0.15	0.00	0.03	0.12	0.03
Canada	0.19	0.14	0.36	0.08	0.10	0.05
Denmark	0.00	0.02	0.03	0.30	0.32	0.08
Finland	0.02	0.11	0.08	0.03	0.03	0.10
France	0.00	0.63	0.06	0.00	0.00	0.31
Germany	0.02	0.41	0.00	0.10	0.39	0.07
Greece	0.67	0.06	0.04	0.06	0.08	0.00
Ireland	0.07	0.27	0.23	0.10	0.03	0.00
Italy	0.33	0.00	0.03	0.33	0.13	0.00
Netherlands	0.12	0.15	0.00	0.06	0.29	0.26
New Zealand	0.20	0.07	0.00	0.07	0.00	0.11
Norway	0.14	0.04	0.08	0.12	0.04	0.16
Portugal	0.03	0.00	0.09	0.41	0.03	0.13
Spain	0.11	0.00	0.07	0.44	0.00	0.26
Sweden	0.14	0.39	0.06	0.08	0.06	0.08
United Kingdom	0.12	0.18	0.12	0.06	0.22	0.00
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Total	0.16	0.14	0.08	0.12	0.17	0.09

The second interesting piece of information revealed by Table 4 is that only in Canada and Ireland we find a considerable number of employment ministers with finance and business background. The professional background of employment ministers is more variable across countries than the professional background of finance ministers. Therefore, further exploration is necessary before we can draw conclusions regarding the impressive rise in the numbers of employment ministers with economics, finance and business backgrounds.

A preliminary investigation on the causes of the evolving background of cabinet ministers

What drives the changes in cabinet ministers' professional backgrounds? Here I am not able to provide an answer to this question, as this would require a fleshed out theory of ministerial appointments followed by data analysis. Instead, I present a preliminary investigation on potential factors that might drive the changes in cabinet ministers' professional backgrounds. The obvious suspects are economic globalization and shifts in party ideology.

There is a substantial literature on the effects of economic globalization on political parties' organization and ideological profile. According to Katz and Mair (1995) and Blyth and Katz (2005) dramatic changes in the socio-economic profiles of electorates together with the maturation of the welfare state and economic globalization have challenged the identity of traditional parties, which have responded by coalescing with each other, i.e. by not competing with each other on ideological terms. As a result, there is little ideological difference between the mainstream political parties making the left-right ideological divide less prevalent, if meaningful at all. This thesis goes against the traditional understanding of the role of political parties as coalitions of citizens with divergent interests, best captured by mass parties (Katz and Mair 1995). Instead, current political parties have little connection with their voter base and operate, literally, independently of their core constituencies (Blyth and Katz 2005).

If the Cartel Party hypothesis is correct, we might be able to attribute the shift in politicians' professional background to the forces of globalization and the subsequent ideological convergence among competing political parties. Perhaps parliamentary cabinets are becoming more professionalized because parties are themselves less ideological and they have less connection with the party base. For example, Marshall and Fisher (2014) find that economic globalization has decreased electoral turnout. At the same time, it is possible that this ideological convergence is not uniform across party

families. Adams, Haupt and Stoll (2009) find that social democratic parties have maintained more ideological positions than centre-right parties. Similarly, Haupt (2010) finds that economic openness doezs not have the expected right-ward effect on political parties.

In Figure 5 I split the sample of political parties into party families of the center-right (Conservative, Christian democrats and Liberals) and of the left (Communists, New Left and Social-democrats) and I plot the percentage of ministers, who had no professional experience outside politics, over time. The results indeed indicate that the professionalization of politics appears to be primarily taking place among centre-right parties and less so among left parties. The percentage of cabinet ministers with only political professional experience has increased from 10 to 30% in right parties, and from 10 to under 15% for left parties. By 2000, 30% of centre-right ministers and 15% of centre-left ministers had no professional experience outside politics.

In Figure 6 I look at whether the findings of Figure 5 are due to coding error by plotting the percentage of ministers with any, primary or secondary, political professional experience prior to their full time political engagement as MPs or cabinet ministers. Despite the expected increase in the actual percentages of ministers with professional political experience, the differences between left and right parties are of comparable magnitude. More than 50% of all centre-right cabinet ministers had professional political experience, while the number drops to 35% for social-democrat ministers. Although I do not explore how changes in party ideology affect ministers' professional background, Figures 5 and 6 show that there politicians' professional backgrounds vary by party family, and that in fact these differences have been becoming more prominent over time. Overall, to the extent that ministers' professional backgrounds capture the process of professionalization of politics, parties of the right have been more affected than parties of the left.

Figure 5: Left and right cabinet ministers and their political professional background

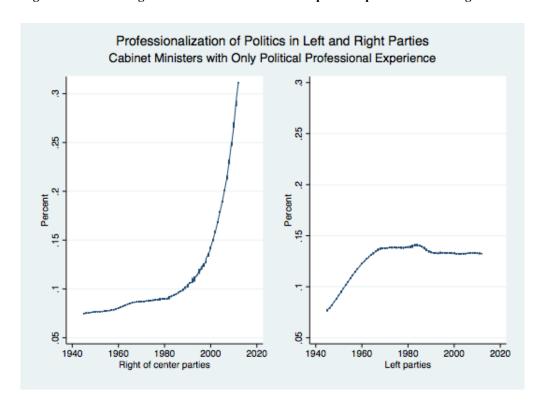
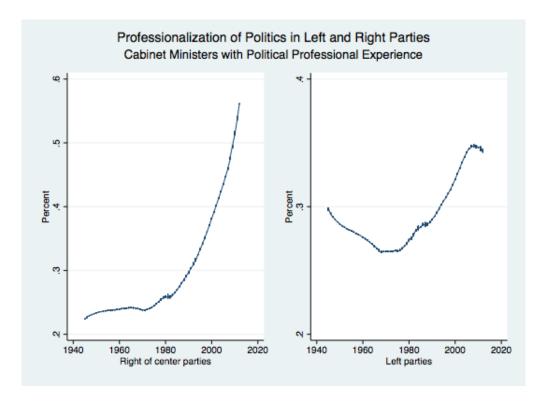


Figure 6: Left and right cabinet ministers and their political professional background



Finally, I briefly explore the hypothesis that economic globalization and shifts in political parties' policy positions induce party leaders to appoint more finance ministers with finance and business background. To do that, I use the an indicator on the left-right policy positioning of political parties as coded by the Comparative Manifesto Data Project (Klingemann et al. 2006), as well as an index of economic globalization, which includes both trade and capital account measures of economic openness (Dreher, Gaston and Martens 2008). By looking at these two indicators simultaneously I try to infer if parties' policy positions, as expressed in their electoral manifestos have more or less impact on ministerial selection than economic necessity due to rising economic openness. Of course, ultimately a multivariate statistical analysis is required to answer this question. Here I am only interested in an initial exploration of this hypothesis.

Figure 7: Party Ideology, Economic Globalization and Finance ministers with Finance and Business Background

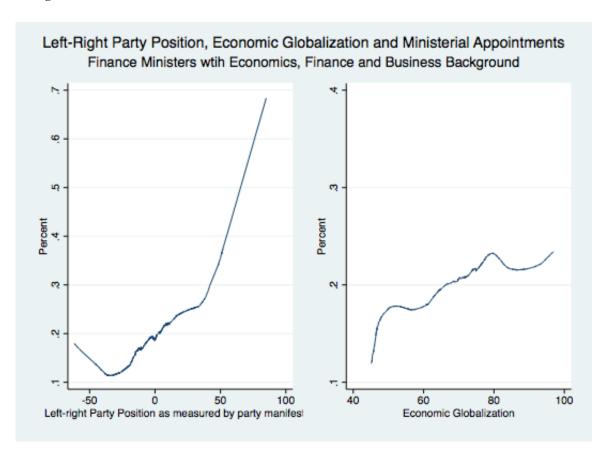


Figure 7 shows that both party ideology and economic globalization positively correlate with a larger number of finance ministers with a background in economics, banking and business. The left-right measure (rile) ranges from -50 (left) to +50 (right)- values higher than +50 are outliers. Thus, if we ignore the values of 'rile' that exceed 50, the two indicators of globalization and left-right ideology have comparable effects on selection of finance ministers. Parties with more right-wing ideology are twice as likely to appoint a finance minister with background in finance and business than parties with more left-wing ideology. Similarly, as economic globalization increases from 40 to 80, the number of finance ministers with finance and business background doubles from about 12% to 22%.

Discussion

With the aid of a new dataset on ministers' professional background, this paper attempts an initial exploration of the hypothesis that politics is becoming more professionalized and more dominated by finance and business personalities. The dataset, which includes the professional and political background of cabinet ministers, includes 8 major cabinet portfolios (prime minister, deputy prime minister, foreign affairs, finance, economics, employment, health and social affairs) and covers 18 parliamentary democracies from 1945 to 2012.

The preliminary findings, based on summary statistics and simple bivariate relationships, provide initial support for the hypothesis that politics is becoming more professionalized and that, over time, more ministers of finance and of employment have background in economics, banking and business. Specifically, despite important cross-national differences, an increasing number of cabinet ministers have had no other professional experience than politics. This number has been steadily increasing and is as high as 20%. When we disaggregate political parties into left and right we find that the increase in professional politicians has been twice as high in center-right parties than in parties of the left.

The preliminary results for the hypothesis that finance and business have an increasing influence on governments due to a higher number of economics ministers who come from these industries are also supportive. Finance ministers whose primary professional background is in economics, finance and business constitute 25% of all finance ministers, compared to 15% in 1960. More right-wing party ideology and higher levels of economic globalization both positively correlate with a higher number of finance ministers with economics, banking and business background.

The goal of this paper is to present the new dataset on ministers' political and professional background and to explore potential avenues of research addressing important questions on the evolving nature of politics and of representation in parliamentary democracies. More research is required before we can reach any conclusions on these important questions.

Appendix

Table 5: Countries and years included in the dataset

Country	Years
Australia	1945-2012
Austria	1945-2011
Belgium	1972-2011
Canada	1945-2011
Denmark	1945-2010
Finland	1945-2011
France	1959-2012
Germany	1949-2011
Greece	1974-2012
Ireland	1948-2011
Italy	1945-2011
Netherlands	1946-2010
New Zealand	1946-2011
Norway	1945-2012
Portugal	1976-2011
Spain	1976-2011
Sweden	1946-2010
United Kingdom	1945-2012

Table 6: Professional Background by Country (including both primary and secondary professions)

Country	Legal	Professional	Econ/Banking	Professors/	Union	Bureaucrats
	Profession	Politicians	/Business	Teachers	Officials	
Australia	<mark>0.36</mark>	0.27	0.14	0.12	0.13	0.21
Austria	0.06	0.34	0.30	0.05	0.43	0.12
Belgium	0.31	<mark>0.55</mark>	0.08	0.21	0.05	0.20
Canada	0.52	0.22	0.37	0.31	0.02	0.11
Denmark	0.04	0.27	0.14	0.24	0.30	0.19
Finland	0.07	0.26	0.23	0.16	0.06	0.22
France	0.15	<mark>0.62</mark>	0.29	0.11	0.02	<mark>0.44</mark>
Germany	0.30	0.46	0.22	0.14	0.08	0.11
Greece	<mark>0.34</mark>	0.23	0.14	0.35	0.01	0.09
Ireland	0.25	<mark>0.54</mark>	0.22	0.19	0.04	0.17
Italy	0.29	0.01	0.14	0.33	0.04	0.01
Netherlands	0.09	0.28	0.20	0.32	0.11	<mark>0.39</mark>
New Zealand	0.20	0.20	0.25	0.22	0.03	0.07
Norway	0.10	0.22	0.13	0.19	0.03	0.27
Portugal	0.07	0.00	0.10	<mark>0.56</mark>	0.01	0.11
Spain	0.14	0.01	0.07	0.26	0.00	0.42
Sweden	0.16	0.42	0.14	0.11	0.16	0.33
United Kingdom	0.17	0.35	0.25	0.14	0.14	0.16
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Total	0.22	0.29	0.19	0.22	0.09	0.19

Table 7: Parliamentary and Cabinet experience of cabinet ministers prior to appointments

Country	Years in Lower Parliament	Years in cabinet	Portfolios held	
Australia Austria Belgium Canada Denmark Finland France Germany Greece Ireland	16.75 1.50 12.13 10.71 10.13 12.24 10.51 10.50 6.74 17.65	7.68 3.77 7.82 5.49 5.43 3.84 4.21 6.56 3.38 8.41	2.25 1.08 2.91 2.76 1.52 1.25 2.00 0.98 1.31 2.38	
Italy Netherlands	10.44 4.55	5.86 4.18	1.60	
New Zealand Norway Portugal Spain Sweden United Kingdom	4.55 16.64 14.98 7.11 8.42 14.62 17.97	9.41 3.20 1.66 4.84 10.41 5.92	0.97 3.80 0.82 0.55 1.12 1.76 2.17	
Total	12.31	5.76	1.81	

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