

Neue Studien zur Politischen Ökonomie

Selection of Public Servants into Politics

An Economic Analysis of Its Causes and Consequences

Bearbeitet von
Dr. Thomas Braendle

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Thomas Brändle

Selection of Public Servants into Politics

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and Consequences



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Preface

Traditional political economy considers good government mainly the result of properly designed institutions that shape the incentives of those who make policy. However, good government is not only a matter of incentives but also of selection. Accordingly, two questions define a major challenge and attract a great deal of attention in current political economy: How does the selection of politicians with different identity and quality characteristics influence policy choice? And, what determines the selection of heterogeneous politicians in the first place? In this book, which is a doctoral thesis written and available at the University of Basel, I select one important quality dimension; i.e., the professional background of politicians. In particular, I concentrate on the selection of public servants into politics and want to better understand its causes and consequences.

The primary research interest was motivated by circumstantial evidence showing that public servants are strongly represented in many parliaments of Western democracies. Due to current policy debates in Switzerland and Germany, I became aware of substantial institutional differences among jurisdictions regarding the rules which govern the (in)compatibility of a public service position with a legislative mandate. Thus, the first major research question to be addressed was: Do differences in these rules systematically affect the incentives to run for political office for candidates with a public sector background? Subsequently, I wanted to gain a better understanding of the consequences for political processes and outcomes. Of particular interest was whether differences in the representation of public servants in parliament impact legislative oversight processes, and whether these differences help to explain corruption and public sector growth. The results of the present book indicate that institutions, primarily set up to hold politicians accountable, systematically influence the composition of the pool of politicians and affect political outcomes also via the channel of selection.

The research on public servants in politics has been an intellectual stimulation and a challenge. First of all, I could contribute to the flourishing literature on the selection of politicians being a new and complementary line of research in political economy. Second, the topic itself and closely related questions have frequently provoked innovative and critical conversations which challenged traditional political economy. Furthermore, gaining a deeper knowledge of political institutions and the strict economic analysis of the resulting incentives for the selection and the behavior of political agents were highly interesting and scientifically fruitful activities. The acquainted knowledge on and the broader economic understanding of a wide range of political institutions will constitute the basis for future research.

The main chapters (chapters III to VI) analyze different aspects of the selection of public servants into politics. All main chapters can be read as stand alone contributions. Different or earlier versions of these chapters have all been presented at national and international conferences, workshops and research seminars on invitation. These conferences and workshops include, among others, the Annual Meetings of the Euro-

pean Public Choice Society in Athens and Rennes, the Annual Meeting of the German Economic Association (*Verein für Socialpolitik*) in Frankfurt, the Annual Meetings of the Swiss Society of Economics and Statistics in Geneva, Fribourg, Lucerne and Zürich, and the 18th Silvaplana Workshop in Political Economy. Presentations on invitation were given in the research seminar at Bocconi University, Milan, the University of Siena, the Max-Planck-Institute for Research on Collective Goods, Bonn, in 2010, the University of Lugano in 2011, and at the University of Mannheim in 2012.

I am deeply indebted to my Ph.D. advisor and mentor Professor Dr. Alois Stutzer. His guidance and continuing support as well as his openness to discuss research ideas and projects have been an extraordinary experience. Working under his supervision and in collaboration with him fundamentally strengthened my economic skills, particularly my analytical rigor, and introduced me to research. I consider this period a privilege and I am looking forward to continuing our research projects. I would also like to thank my second advisor Professor Dr. Dr. h.c. mult. Bruno S. Frey for his support and the valuable feedback. The meetings with him were a great source of inspiration.

I would like to express my gratitude to Professor Dr. Vincenzo Galasso and Professor Dr. Tommaso Nannicini for inviting me to the Ettore Bocconi Department of Economics and IGIER at Bocconi University, Milan in 2010. I greatly benefited from their feedback and the time spent in this outstanding scientific environment. Related to this, I would like to thank the Basel private bankers for sponsoring the award for young scientists making this leave of absence for research possible. Moreover, I owe thanks to Professor Dr. Mario Jametti for inviting me to the Institute for Microeconomics and Public Economics at the University of Lugano and to Professor Dr. Maurizio Cotta for the invitation to the Center for the Study of Political Change (CIRCaP) at the University of Siena. All of these research stays were excellent opportunities to present, discuss and improve my research as well as to get into contact with often different but complementary perspectives on political economy. In addition, I would like to thank Professor Dr. Silvio Borner, Dr. Pierre Boyer, Professor Dr. Alessandra Casarico, Professor Dr. Reiner Eichenberger, Dr. Michael Funk, Professor Dr. Simon Luechinger, Professor Dr. Mark Schelker, and Dr. David Stadelmann for the very interesting conversations and the constructive criticism.

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Basel, April 2012

Thomas Brändle

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