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Abstract

The present work reviews how scholars of different disciplines have examined political appointments in recent years, in particular, those regarding public and semi-public organizations. First of all, I show how political economy research has shed light on several reform processes, arguing how economic and managerial policies have been implemented also considering political rationales, such as, for instance, the preservation of parties' control of privatized firms. This enduring power of political parties primarily results from their preserved appointment authority over semi-public firms (beyond public agencies), one of the tools by which the political class continues to govern the enterprises in question. In particular, this appointment authority has been exploited by parties in order to reward their members and control bureaucracies, among other purposes. The phenomenon naturally resulted in a widespread surviving politicization of the state, which presents several consequences, especially in terms of public-private politically connected firms' performance. In the conclusions, I suggest some further research trajectories which could enhance the literature.

keywords: patronage, literature, appointment, politicization

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1 Introduction

Established democracies, organized according to the principles of free market and private property, still today present the state as a fundamental actor competing in several key economic sectors. This state of play persists even after the large state-owned enterprises' (SOEs) divestment strategy which began during the 1980s. Indeed, governments, besides many public agencies and semi-public bodies, continue to own large capital shares in many operating firms, in fields such as gas and water supply, rail transport, airlines and so forth.

Actually, [Sappington and Stiglitz \(1987\)](#) suggest that theoretically, under conditions of perfect competition and without informational problems, the question of ownership should not be relevant. Unfortunately, as a matter of fact, the above conditions are never met. The original arguments in favor of public ownership were justified as a solution to the lack of competition and to the emergence of market failures, like externalities or natural monopolies. Historically, SOEs were created also as direct instruments to channel investments towards priority sectors, as perceived by the policymakers, to implement full employment policies and promote balanced regional development. Nevertheless, by the 1970s, the performance of SOEs came under increasing inquiry due to inefficiency, mismanagement, corruption and political interference. Privatization of SOEs has been viewed as a policy instrument for minimizing the impact of political factors on economic per-

formance, as pointed out by [Vickers and Yarrow \(1991\)](#), even though the real outcome has not met these expectations.

Despite privatizations, the state most often preserved the majority of shares of newly privatized firms or, alternatively, continued to control them through special arrangements, such as *golden shares*, that leverage voting powers. Importantly, this partial *corporatization* applied to the local level as well. Indeed, the privatization wave has also affected sub-national levels of government, so that public services provided by local or regional units have been externalized, following the same corporatization reform approach ([Grossi and Reichard, 2008](#)). Here again, full externalizations have been uncommon, and even if local authorities lose the direct, and full, provision of public services, they often maintained the control of new private-public enterprises (PPEs) which provided the same goods and services. [Scarpa and Pellizzola \(2009\)](#) call *municipal capitalism* the result of the described process which shaped municipalities in a business-like manner.

The enduring role of the public sector in PPEs, as well as in public and parastatal bodies in general, constitutes a valuable asset for governments and, consequently, political actors. Indeed, most often parties are capable of penetrating and controlling state resources, especially, using public and semi-public firms for their advantage ([Di Mascio, 2011](#)) and not for the general interest.¹ One of the main signals of the parties' control over the decision-

¹Parties exploit state resources also in other ways. For some insights see [Katz and Mair \(1995\)](#), [Sundberg \(2003\)](#) and [Van Biezen \(2004\)](#).

making processes of public institutions and firms is the power of appointment, which represents also a specific interest of the party (Daalder, 1966). By the one hand, appointing a party member to a (semi) public entity's personnel (*patronage*) is a mean for obtaining a direct link to the firm/agency; by the other hand, the nomination may be used in order to gain loyalty from party members. Recent research on party democracy argues that parties have begun to establish tight linkages to the state while functioning less and less as voluntary associations for citizen representation (Bolleyer et al., 2012). Therefore, *patronage*, intended as an incentive, may prove to be hugely advantageous (Kopecký and Scherlis, 2008).

Laver and Schofield (1998, p. 43) provided an idea of the entities which are potentially influenced by patronage, other than newly privatized firms:

Probably the most important sphere of patronage, however, can be found in the parastatal agencies, such as the many nationalized industry boards; water, electricity, and other service authorities; health boards; development authorities, and so on.

In Golden (2003, p. 202) words, the “political” jobs in question regard the “parallel administration, a complex and probably unique melange of parastatal bodies, public agencies and public corporations”. Recent research has further placed emphasis on the importance of patronage also suggesting how the political appointments practice differs within countries, both across policy sectors and within institutions at the senior, middle, and lower levels of the hierarchy (Kopecký et al., 2016). This to say that the phenomenon,

although globally spread, presents different features according to countries, sectors, legal systems and so forth.

The interconnection between political parties and public utilities should not surprise. The party capture of the state has been analyzed from different points of view. A very recent trend in political science literature has really focused on the allocation of jobs into the public or semi-public sector, highlighting the political parties' discretion ([Biezen and Kopecký, 2014](#); [Enns-Jedenastik, 2014b](#)). In particular, the extension of the phenomenon specifically regarding politicians' appointments is well documented by, among others, [Boubakri et al. \(2008\)](#). The authors confirm that governments not only continue to remain a shareholder but also appoint politicians to key positions in PPEs' management.

Just to avoid any confusion, it should be reminded how patronage and clientelism are considered different each other: “patronage typically provides party leaders with the means to build and maintain party organizations through the distribution of selective incentives to party supporters in exchange for organizational (party) loyalty. Party clientelism, on the other hand, is a form of representation based on the selective release of public (material) resources – contracts, housing, subsidies, pork-barrel legislation, etc. – in order to secure electoral support from individuals or selected sectors of society” ([Van Biezen and Kopecký, 2007](#), p. 241).

After reviewing how patronage survived privatization, decentralization and corporatization reforms, I will focus on the rationales of political ap-

pointments. The logic of patronage, especially in Europe, is mainly guided by the party leaders' desire to control the implementation of PPEs' policies and, in addition, by the opportunity to reward party members through public appointments, as suggested by [Kopecký et al. \(2012\)](#). The control rationale is connected to the conflicting role of politicians and administrative staff, which has been extensively debated by public administration and public management scholars. Despite the politics-administration dichotomy remains a formally accepted and frequently used model in many advanced countries, where the public sector is supposed to be based on a sharp distinction between politicians and administrative staff functions, most often a clear autonomy of the public management is far from being reached. About the consequences of the lack of independence of public sector organizations there is still debate.

The paper is articulated as follows. Section 2 presents how patronage has survived the recent above mentioned reforms. Section 3 describes the principal purposes of political appointments. Section 4 outlines the politicization of the public sphere and its consequences. Section 5 concludes.

2 A never-ending story

[Stiglitz \(1993\)](#) claims that one of the main disadvantages of privatizations is the resulting loss of potential rents from the government. Moreover, the author poses the question about how to privatize SOEs preventing the state

from interfering in firms management, proposing to divide government interests among different executive units, simultaneously using check and balance tools. In order to plainly understand the political distortions that could arise from politically connected (public) firms, [Shleifer and Vishny \(1994\)](#) review several kinds of potential interferences. Firstly, the enterprises in question could sometimes produce goods desired by the political establishment rather than by consumers, showing in this case how the provision of a (public) good may have a symbolic value for a government party but no value to the citizens. For example, a public bank could be asked to channel its loans towards less efficient enterprises only because their political closeness to the government party ([Li and Yamada, 2015](#)), neglecting socio-economic potentials. Likewise, a politically connected public firm may be located in electorally desirable rather than economically attractive regions, similarly to the case when politicians allocate public funds to pivotal regions in order to achieve electoral goals ([Dixit and Londregan, 1996](#); [Lindbeck and Weibull, 1987](#)). Furthermore, some public enterprises may charge prices below the marginal cost to increase their political masters' electoral consent. In the model of [Shleifer and Vishny \(1994\)](#) then, executives never desire to relinquish control over public or partially privatized firms. Lastly, they assume that most publicly owned firms are encouraged by politicians seeking votes to employ too many employees ([Dinc and Gupta, 2011](#)).² This last kind of rent, for

²Since the adverse effects of privatization, such as layoffs, are likely to be concentrated in the region where a firm operates, the governing party may lose votes in that region because of the opposition from interest groups that are adversely affected, such as the

the Argentine public provincial banks divesting process has been analyzed by [Clarke and Cull \(2002\)](#). In their work, they show that labor market conditions have affected privatization decisions about provincial banks. Indeed, local governments of provinces characterized by overstuffed banks, high shares of public employment, and high unemployment rates were less likely to privatize. Theoretically, scholars have also proposed other possible rationales for the enduring government influence in PPEs, even after their partial privatization. In the theoretical model of [Perotti \(1995\)](#), a limited divestment may communicate the government's commitment to market-oriented policies. By relinquishing their control rights, executives signal that privatization is credible and implies no policy risk (i.e., the risk of interference in the operations of the firm either through regulation or re-nationalization). By retaining residual ownership, governments thus signal their willingness to share any remaining policy risk. As a result, according to Perotti's model, partial privatization may be a political choice that depends on the characteristics of the government in place, that is, on political institutions.

[Bortolotti and Faccio \(2009\)](#) empirically show that governments' control of privatized companies appears significant and hugely widespread around the world. The authors report that many cases of privatization are characterized by the sale of equity without a proportional transfer of control.

Basically, there are two types of mechanisms commonly used to achieve this

local employees of the firm. Privatization may also be perceived negatively by the public as an inequitable transfer of publicly owned assets to private owners, which can result in a loss of votes in the constituency.

result. Firstly, governments can leverage the voting power associated with their investment through pyramiding. With this ownership leveraging device, the state can remain the largest *ultimate* shareholder of a company even though it no longer directly owns 100% of the stock. Secondly, governments may hold *golden shares*, which permit themselves to make important decisions concerning the company, such as to veto proposed acquisitions, or alternatively, to impose constraints on other investors, such as caps on their share of voting rights. [Bortolotti and Faccio \(2009\)](#) document governments' overall control in privatized firms by evaluating both *ultimate control*³ and *golden shares*.⁴ For the analysis, they construct a sample of 141 companies from developed economies that were privatized (and became publicly traded) prior to the end of 1996. Just considering ultimate government voting rights, they find that the most common privatization outcome is that the state remains the largest *ultimate owner*. [Bortolotti and Faccio \(2009\)](#) also show that golden shares are particularly common among privatized companies in which the government is not the largest shareholder: thus, through either

³The diction “ultimate” means that ownership leveraging devices are accounted for. The authors remark how neglecting these mechanisms, they would substantially understate the power of the state in privatized firms.

⁴In this line Italy may serve as an example: the Italian government launched its first large-scale privatization program after the 1992 general elections, when the country was facing one of the most acute economic and political crises of the post-war period. Since 1993, major privatization deals have raised more than US\$ 100 billion, making Italy third in total value of privatization worldwide. Despite this apparently remarkable result, the Italian government is still an influential shareholder in many partially privatized firms. For example, it holds direct and indirect stakes, also indirectly through Cassa Depositi e Prestiti, in Eni (the largest oil and gas company), Enel (the electricity giant) and Finmeccanica (the aerospace, defense, and IT group).

direct ownership, leveraging devices or golden shares, governments preserve the control of almost two-thirds of privatized firms.

The persisting role of governments, and thus parties, in partially privatized firms, public agencies and semi-public companies in general, is functional for the core issue I consider in this review, the opportunity to keep appointing politicians, activists and trustworthy people, to these entities' management staff or workforce.⁵ This issue is particularly compelling whenever nominations are made without considering merit and performance. [Boubakri et al. \(2011\)](#) provide a fundamental work about the conditions that favor residual state ownership in newly privatized firms. The purpose of their study is to determine how political institutions influence post-privatization control structure in a large set of emerging markets. They find that the state remains the controlling owner (holds more than 50% of the shares) in 46% of the sample firms. [Boubakri et al. \(2011\)](#) explicitly mention, among other tools, political connections (30.3% of the sample firms), as a direct way of controlling PPEs' administration. They also assess how political constraints and institutions influence the government's residual ownership in the six years following privatization. For instance, residual state ownership is higher in parliamentary systems and under regimes with greater constraints on the executive (checks). However, the ideology of the executive does not appear to affect residual ownership. Consistent with extant arguments in the political

⁵For further information about the power of political parties over the appointments in question see, e.g., [Di Mascio \(2011\)](#).

economy literature ([Alesina and Drazen, 1991](#)), they find that when political constraints and the power of veto players are higher, they limit the ability of governments to put in place market-oriented reforms such as privatization. Facing such constraints, the government is more likely to privatize slowly, divesting small stakes in a sequence of sales over time. A similar result is obtained by [Bortolotti and Pinotti \(2008\)](#).

Empirically, the number of political connections, in particular regarding newly privatized firms, are well documented by [Boubakri et al. \(2008\)](#). In their research the authors use a multinational sample of 245 privatized firms headquartered in 27 developing and 14 developed countries over the period 1980 to 2002, trying to assess whether environmental, judicial and political variables that vary across countries have an impact on the likelihood of observing political ties in newly privatized firms. Results show that 87 firms have a politician or an ex-politician on their board of directors. Most of the politically-connected firms are located in East and South Asia and Europe. Only 12.64% of the sample of politically-connected firms is in Africa and Middle East countries. Of the 30 firms operating in the energy sector in the sample, 18 are politically-connected (i.e., 60%). The authors note that the presence of politicians on the *boards* of such firms is most likely explained by the importance of strategic sectors and their relative impact on the country's whole economy: for instance, the presence of politicians on the boards of petroleum companies ensures a relative stabilization of the market and a quick reaction in times of crisis. Furthermore, strategic sectors are tra-

ditionally state monopolies (especially utilities) and the transfer to private ownership requires new regulations and extensive supervision. Thus, the appointment of politicians as directors keeps the firm politically-close and may serve as a supervisory (monitoring) mechanism, according to the patronage control rationale already mentioned. Additionally, strategic firms are often used as political means to guarantee employment (hence popular support), as these firms usually hire overcapacity, and employ thousands of employees. In the sample, 81.61% of politically-connected firms are located in major cities where politicians are more likely to extract political support (votes), and almost one-third of privatized firms are politically connected. However, the work tells us nothing about the characteristics of the appointees, such as e.g. their political loyalty, their position within the party or their professional background. A similar analysis would be of some interest if conducted also towards public agencies, both national and local.

Since politicians obtain private benefits from controlling government-owned firms ([Dinç, 2005](#); [Shleifer and Vishny, 1994](#)), scholars have also considered the role of political patronage in the privatization decision. For example, politicians can influence the hiring decisions of government-owned firms to favor supporters. Theory suggests that politicians may target government programs to reward supporters with patronage ([Cox and McCubbins, 1986](#); [Persson and Tabellini, 2002](#)). Hence, rent-seeking politicians may delay privatization in regions where their supporters are based. In particular, considering a firm being politically connected if a politician is elected from

the same state where the firm is located, [Dinc and Gupta \(2011\)](#) show that connected firms are never privatized. The provided argument for the reluctant privatization is related to the likelihood that the politician has many supporters in his home state, which could be rewarded through patronage more easily in case the firm is not privatized.

In addition to privatization reforms, also decentralization policies may grant opportunities for the enduring patronage usage. Indeed, the way in which the reform is implemented may allow the appointment of party members to public institutions' and PPEs' management, specifically at subnational levels of government. In particular, the proliferation of public or semi-public firms, providing e.g. local public services, and the slackness of recruitment regulations could pave the way for the creation of patronage jobs. As [Hutchcroft \(2012\)](#) suggests, largely celebrated federalist reforms, considered necessary for promoting local autonomy and accountability, have proved to be events of persistent access of local politicians to patronage resources. Similarly, for African countries, [Makara \(2018, p. 28\)](#) states that “both in central government and local governments, political patronage interferes with the bureaucratic order and functioning”. Then again, the concept is stressed by [Sadanandan \(2012, p. 212\)](#) who firmly states that “decentralization has empowered local politicians to engage in patronage politics”.

In the same vein, [Kleibrink \(2015\)](#) suggests how virtuous ideals of regional self-rule, to be achieved through decentralization reforms, have been betrayed by parties' elites in order to advance their own interests. Politi-

cal establishments and parties have promptly transformed public sector jobs at the regional level into patronage opportunities. In his work, the author shows how much the politicization of the public sector has spread in Serbia and Croatia. He examines also the diffusion of patronage at different levels of government and to what extent elites in the center and periphery have access to patronage resources. The novel insight of the research is that elites in the center are more likely to support regional autonomy and decentralization reforms if they open up opportunities to dispense patronage to their affiliates and partisans in the regional bodies, therefore gaining new appointing powers. The empirical analysis seems to disclose a systematic pattern: the growth of public sector employment is rather pronounced at the regional level and it is stronger after decentralization reforms were adopted. This surge in public sector jobs would open up opportunities to fill public and semi-public bodies with political appointees.

As already noted, decentralization is a reform process that increases the occasions for patronage because it is often associated with increased public sector employment, also at lower levels of government. Moreover, it could lead to a more fragmented policy-making, with an implementation process characterized by a larger discretion regarding the recruitment of public sector employees ([Treisman, 2007](#)). Consequently, in the event that personnel hiring decisions are not merit-based, as [Kim and Yoon \(2018\)](#) notes, even a decentralized system will not be equipped with government capacity ([Fukuyama, 2013](#); [La Porta et al., 1999](#); [Rothstein and Teorell, 2008](#)). Policy adminis-

trations will suffer from problems of ineffectiveness, despite the well-known theoretical beneficial effects of federalism.

A particular strand of literature has focused also on how the regulation of local semi-public firms has allowed the public shareholder to retain some control over these firms management (Bortolotti et al., 2007b; Osculati). The move towards privatization has demonstrated the increasing will to include the private sector in the provision of local public services, in order to improve the national public budgets and make local PPEs more efficient and less oriented to political objectives. For European countries, pressures from the Union for liberalization of local public service markets have pulled the trigger on the corporatization process that has invested local public services providers, with the consequence of a proliferation of disaggregated entities. Following this trend, we should see an increasing role of the private sector in providing local services in those sectors which have been privatized, but this is not what we observe in reality. Full privatization or private provision is usually rare, also at the local level. The study of the European Centre of Employers and Enterprises providing Public services (CEEP, 2010) shows that in the majority of European countries, municipalities organize utilities in communal enterprises, serving the local jurisdiction; they can be the sole property of a municipality, in co-management with various municipalities, or in co-participation with private agents. As a result of the phenomena of *reluctant privatization* and *municipal capitalism*, public services, especially in Europe, are increasingly provided by PPEs. *Municipal capitalism* is the

term used by [Bortolotti et al. \(2011\)](#) to define the diffuse phenomenon of ownership and control of firms from Italian local government units. The participation to the mixed firm share capital allows the local government to retain some form of control over it, in order to protect the public interest, given the crucial importance of utilities in providing services affecting social welfare. Nevertheless, as national governments do, also local administrations preserve the control of local firms, even after the above-mentioned corporatization process, allowing politics to maintain the appointment authority. In this line, also at municipal level PPEs represent an additional opportunity for patronage practices. Scholars have not yet focused their attention on local political appointments, even if the figures concerning local PPEs are enormous ([CEEP, 2010](#)). The municipal level of patronage appointments is confirmed by ([Kopecký et al., 2012](#)) in his volume: indeed, the authors even say that local government units represent the heartland of patronage, since parties have most of the time the ability to reach all institutions at the subnational level of government.

Furthermore, from the public governance scholars' standpoint, it is worth noting that political appointments continue to occur, in the public sector in general, despite the New Public Management (NPM) reforms ([Müller, 2006](#); [Osborne, 2010](#); [Pollitt and Bouckaert, 2004](#)). Public service reforms started in the 1980s, as a reaction to the governments' lack of flexibility in dealing with the growing complexity of social problems in modern societies. NPM focused on performance and competition by importing managerial techniques

into public bureaucracy, while deviating the provision of a large portion of services toward non-governmental actors and quasi-autonomous public agencies (Hood, 1991; Lane, 2002). Actually, at the national level, the scopes of NPM theorists were the simultaneous empowerment of both SOEs' managers and ministers (Aucoin, 1990). This seems to be a paradox, however, these reforms tried to satisfy the need for a greater managers' authority, and aimed to clearer policies and programs set out by ministers. As Aucoin (2012, p. 178) noted, "proponents argued that greater political control of policy and programs in the hands of the elected government was appropriate for democratic governance and that this did not undermine management with partisan-political interference in staffing or in the work of the public service that is meant to be impartial".

Nevertheless, the actual propensity to strengthen political authority over public managers resulted in a deep politicization of the public sector, which left little room for fairness and non-partisanship. Politicization, in the case of the present work, is intended as the replacement of merit-based logics with political criteria in the private-public and public sector hiring decisions (Pierre and Peters, 2004). The new rising management system which emerged has been called by Aucoin (2012) New Public Governance (NPG). NPG arose in the 1990s and proposed a path toward improved effectiveness and democratic quality of public policies by stressing the participation of citizens and communities in the design and delivery of public services (Bouckaert and Pollitt, 2011; Osborne, 2010). Nevertheless, as governments often demonstrated

unwillingness to release control over policies, in some cases, public sector reforms implied the strategy of modernizing the state and re-affirming its leading role in facing collective problems, indirectly granting to government parties the power to choose public managers. Labeled as the Neo-Weberian State, this reform path offers solutions to citizens needs by occasionally relying on market-based tools, focusing on enhancing quality and efficiency of services provided by the state ([Bouckaert and Pollitt, 2011](#)).

In practical terms, political nominations are favored also by the widespread use of fixed-term appointments and employment contracts, which ideally have been employed to bolster responsiveness and performance of senior public servants. Indeed, [Ueese Amosa \(2008, p. 613\)](#) notes that the actual consequence has been that “appointment and promotion of senior civil servants to upper ranks of the public sector is a result of their affiliation with and loyalty to the ruling political party” ([Boston, 1992](#)). Furthermore, politicians and connected bureaucrats may exploit procedural loopholes and hidden norms to informally bias the selection and promotion of personnel. These include avoiding open and transparent publications of job announcements, leaking exam questions, taking advantage from the high significance of recommendations, or requiring prospects to affiliate the ruling political party prior to joining the civil service ([Poocharoen and Brillantes, 2013](#)).

3 Appointing for what?

Patronage appointments survived to privatization, decentralization and corporatization reforms. But what are the main purposes of political nominations? What are the principal motivations which led politics to retain the appointment authority over PPEs' managing staff and public sector workforce in general? In particular, as the literature has suggested, the appointing authorities for patronage are political parties, mostly, but not exclusively, the ruling parties (Bartolini et al., 2001; Di Mascio, 2011; Kickert, 2011). Keeping in mind the well-known spoil system (Bodiguel, 1983; Folke et al., 2011; Gardner, 1987; Reid and Kurth, 1989), several different rationales common to all kinds of political party may be mentioned.

Parties penetrate the state to acquire more resources; these resources, which are managed by the national headquarters and by party groups within the representative institutions, are then selectively used to materially compensate militants and rank-and-file.

(Ignazi, 2014).

Probably, the most intuitive reason for using patronage nominations is provided by the work of political scientists. In particular, since party leaders have historically retained the access to state resources in spite of the enacted reforms, and since that intra-party dissent has regularly weakened parties

at the polls, it is rather likely that party leaders strengthen party discipline and reduce internal splits through patronage. Scholars have provided some motivations for politicians to deviate from parties' lines (Carson et al., 2010; Heller and Mershon, 2005; Indridason, 2008) but revising them is beyond the scope of the present work. Here, I underline how patronage represents a tool to keep parties' members in line, given that a high degree of party cohesion in legislative voting always represents a beneficial feature from the party's standpoint. That is all the more true for government parties since losing a vote in parliament is often regarded as a sign that the cabinet no longer has the confidence of the legislative assembly. The argument is bolstered by politicians' incentives to follow their party's dictates. Indeed, legislators would carefully consider voicing policy concerns, cross-voting or party switching for multiple reasons. Above all, they are dependent on their party labels for reelection and on their party for career advancements (Carey and Shugart, 1995). Therefore, both backbenchers and parties would electorally suffer from dissent (Crowe, 1980). However, since party cohesion in parliamentary systems is high but not perfect, rewarding loyal parties' members with a patronage *outside option* (Kopecký et al., 2012; Panebianco, 1988) still have a *raison d'être*. In the words of Claveria and Verge (2015, p. 823), "parties can reward their loyal members with positions in the higher echelons of public administration, the governing boards of public sector companies, advisory committees and regulatory bodies, executive positions in party foundations, as well as secure them safe positions in electoral lists". In addition,

considering ex-ministries, [Blondel \(1991\)](#) notes that they could aim to cabinet reappointments, parliamentary office, local and regional offices, but also to *political careers* ([Mattozzi and Merlo, 2008](#)) in a public enterprise.⁶ A post-parliamentary career in the public sector is an opportunity also reported by ([Chafetz, 2008](#), p. 703): “the types of charitable, voluntary or local community work taken on by our former MPs (Members of Parliament) most often involved them as board members or chairs, trustees or members of advisory boards for these sort of organizations, often leveraging their access to and familiarity with decision-makers in the public sector.” Naturally, patronage may be intended as a reward also for supporters and not only for ministers or members of parliament. In this last case, understandably, less evidence has been provided by scholars. It is worth noting that all parties are not equally capable of making use of this resource. Weak parties or parties that have spent a long time out of office “lack the discipline, the trained leadership, and the surplus of potential jobholders to use the system to their maximum advantage” ([Sorauf, 1959](#), p. 119). So-called entrenched parties (parties that have been in control of a legislature for at least two years), on the other hand, are much better at exploiting the potential of political recruitment successfully. They have the experience, the routines, and the networks to make political appointments to important public sector job positions.

Beyond the reward rationale, recent party research has suggested another

⁶Post-cabinet career and *revolving door* concerning private enterprises issues are beyond the focus of the paper, however, a nomination to a PPE’s managing staff represents a patronage-related payoff for the appointee.

meaningful political advantage deriving from patronage nominations usage. It is related to the role of membership for the maintenance of parties in western democracy, a subject of an on-going debate to this day. More and more frequently, works on *party change* investigate the increasing costs for party leaders, in modern democracies, of recruiting and retaining members, as [Blyth and Katz \(2005\)](#). [Mair and Van Biezen \(2001\)](#) document how leaders try to maintain a membership basis in a moment when an observable trend of political participation decline across western democracies over time. The practical consequence of the trend turns out to be a large number of passive members' shrinks and, consequently, a substantial drop of membership fees they do not contribute anymore. Patronage, for that, may help parties to extract funding from the state: patronage appointees are often asked to contribute to the party budget with a certain percentage of their salaries as a return for appointments and jobs ([Katz and Mair, 1994](#); [Sorauf, 1960](#); [Ware, 1996](#)). In this sense, a political nomination represents an indirect surrogate of public financing for the party. This is also true at the highest level, whenever members of parliament are called to devote a share of their parliamentary income to the party, even though viewing a candidacy to the parliament as a patronage exchange may be highly questionable. Therefore, parties seem to be able to cope with the declining trend of political participation by acquiring access to state funding, as stated also by [Van Biezen \(2000\)](#) and [Van Biezen \(2004\)](#). As [Panebianco \(1988\)](#) suggests, at the same time, however, the number of active members shrinks as well - those members who are crucial to

uphold the party on the ground as an organization. Indeed, especially in bad electoral times, the existence of a core of supporters is essential to a party survival. Gratifying activists with a patronage job, besides potentially increasing the party's probability of winning elections (Folke et al., 2011), may preserve or even increase the number of active party members. As Pollock (1937, p. 32) notes, "employees who are politically appointed are naturally expected to attend political meetings, make speeches, canvass voters, and do all the other things involved in political activity". This primarily interests the municipal level of the public sphere (Stokes et al., 2013).

Facing declining trend of the political participation is not only a concern of party elites who want to maintain their own position in the party machinery, but it also regards the outside credibility of parties in being able to deliver programs, policies and personnel in the long run. Thus, party establishments need an organization which helps to channel, monitor and pre-select potential successors and keeps them waiting without threatening the current leadership. To do so, party workers are needed to uphold the basic organizational infrastructure and motivating them to continuous work quite naturally creates costs for the party leadership. Patronage may then represent a useful tool to bear this cost without squandering parties monetary resources. Indeed, the growing challenges for party elites to reconcile electoral and organizational goals lead to patronage usage as a selective incentive that can help to cope with these challenges. Empirically, the increase in party patronage observed in several European democracies of fairly het-

erogeneous institutional make-up, as pointed out by Müller (2000a) and by Blondel (2003), can be read as one symptom of these transformations of western democracies.

Further on what already said, Ennser-Jedenastik (2014c) specifically describes what may be called the *political reason* in the strict sense. One of the sub-fields of political science most comprehensively concerned with patronage appointments regards coalition governance. This strand of literature investigates the processes by which parties form governments, distribute ministerial offices, bargain over policy output and manage the termination of cabinets (Laver and Shepsle, 1990; Strøm et al., 2008). The common ground between research on coalition governments and political allocation of public jobs is the study of office pay-offs, but this line of research has largely been limited to analyzing the distribution of ministerial portfolios.⁷ One of the few works regarding public firms is provided by Ennser-Jedenastik (2014c). The author focuses the attention on a specific patron–client relationship, namely the appointment of party loyalists to managerial boards in state-owned corporations, thus centering the focus of the present review. As already noted, the author shows that factions leaders may also use appointments to buy support from members of parliament, thus mitigating the risk of intra-party rebellion in the face of electoral defeat or unpopular decisions made by the government. The distribution of nominations, when considering coalitions,

⁷Exceptions are Lipsmeyer and Pierce (2011), Manow and Zorn (2004), Thies (2001), Verzichelli (2008) and Carroll and Cox (2007).

may accordingly play the same task ensuring each governing party a *fair* share of public sector position. Indeed, the main result of the article is that the partisan composition of managerial boards reflects the partisan composition of government in a proportional manner, respecting the well-known “Gamson’s Law” ([Gamson, 1961](#)).

Not necessarily looking to patronage nominations as detrimental practices, some scholars consider them as one of several forms of linkage between the government and the parties that support it. Indeed, all conceptions of party government revolve around the relationship between political parties and the executive, as in [Katz \(1986\)](#) and in [Mair \(2008\)](#). [Müller \(2000b\)](#) presents such appointments as a legitimate link in the chain of delegation between voters, parties and the state apparatus, even though this link is typically not regarded as strengthening the process of democratic representation or accountability. Thus, through patronage political parties establish ties with PPEs, and the public sector in general, in order to better control and coordinate the desired policies, also accordingly to the popular mandate. By placing people loyal to the party in leading administrative positions, a government attempts to facilitate the implementation of political decisions ([Lewis, 2010](#); [Pierre and Peters, 2004](#)). In this case the appointees control, or influence, public sector resources by acting as the “eyes, ears and mouth” of political parties ([Connaughton, 2015](#), p. 39) from inside the organization. Similarly, politicians often have the opportunity to nominate external advisors who do not directly enter into the PPE’s managing staff. Also in this

case, parties would seek experts who share their political views about policies to be implemented ([Aberbach and Rockman, 1994](#)) and combine both party political loyalty and technical capabilities, whenever possible. Literature has shown that experts are typically found at the higher level of the administrative hierarchy ([Joignant, 2011](#)). The above dynamics may occur also at the local level. There are typically shared responsibilities between national and local governments in the provision of complex and important services such as health and education. For example, in the Italian education sector the central government has the responsibility for hiring teachers and deciding curricula, but school buildings are under the responsibility of provincial governments (for high schools) and municipal governments (for primary schools). At the same time, regional governments are responsible for vocational training and bursaries. In this case, appointing aligned personnel in the key points of the public or semi-public sphere seems politically fruitful for, e.g., pushing through local budget cuts regarding local public entities when unavoidable.

Political appointments of public servants have been claimed to be one of the most important measures available to executives who wish to control bureaucracy and influence policies ([Moe, 1985](#)). Elected politicians have always a legitimate interest in controlling what government organizations do and they may use patronage appointments for that, especially when doubting the ideological loyalty of the civil service ([Dickinson and Rudalevige, 2004](#); [Moynihan and Roberts, 2010](#); [Pfiffner, 1985](#); [Rouban, 2003](#)). Therefore, an absolute division between politics and administration is probably unrealis-

tic (Svara, 1998), yet, a growing politicization of the public and semi-public sphere seems to emerge. Undoubtedly, massive use of patronage appointments may jeopardize the efficient governance of mixed and public firms. The kinds of positions politicized, their number in relation to the civil service in general, and the background of those recruited vary between countries, but the burgeoning phenomenon is observed in most administrative systems (Bouckaert and Pollitt, 2011). The literature focusing on this issue is quite recent and, fortunately, largely growing (Enns-Jedenastik, 2014a, 2015; Gherghina and Kopecký, 2016; Holmgren, 2018).

4 The politicization of the public sector and the consequences

The debate about political-administrative relations is related to what already said, and in essence, it is an issue of virtuous governance and efficient management (Bellò and Spano, 2015; Dahlström and Niklasson, 2013). Given the growth of public service provision across states, ranging from health care, education, public utilities, agricultural and social services (Ricks, 2016; Tandler and Freedheim, 1994; Tsai, 2007), an interesting topic for scholars regards the bureaucracies delivering these services, and the factors that enable an effective delivery of them. From now on I will refer to bureaucracy having in mind every public and semi-public agency, or firm, providing public services, potentially at risk of political patronage exploitation.

Undoubtedly, the bureaucratic organization is of crucial importance for the economy of a country (Evans and Rauch, 1999), since how a state contributes to the economic activity largely depends on the state's own ability to deliver public goods and services (Lovett, 2011). In general, bureaucracies are channels for producing a range of outputs, such as policies, regulations and infrastructure, that can enhance an economy's business environment. Also, bureaucracies facilitate resources allocation through the budgetary provision of services to both citizens (Altay, 1999) and firms, having the task of ensuring that the resources assigned to public service provision are put to the best available use, to facilitate both greater and high quality output in both the public and private sectors (Altay, 1999).

Due to the nature of their job, bureaucrats and public servants must make decisions on the spot and exercise discretion in identifying the beneficiaries of services and resources, choosing the method by which services are distributed, and deciding how and when to enforce government policies (Lipksy, 1980). The discretion of the civil servants in decision making allows them to become *de facto* policymakers. In controlling the adoption of policies, especially front-line providers directly influence the quality of life for many citizens (Lipksy, 1980). All things considered, one of the crucial points here is represented by the bureaucrats' desire for autonomy that faces a permanent war with the politicians ambition for surveillance and control (Pepinsky et al., 2017). In this regard, some authors show how controlling bureaucracies trough patronage appointments may divert important resources away

from public goods and services delivery (Hicken, 2011; Keefer, 2007). When politicians exchange jobs with partisans, then these jobs may be inessential to the running of the state or even harmful. Therefore, whether civil servants are hired by merit or through partisan criteria has strong implications for state capacity (Geddes, 1994; Grzymala-Busse, 2007; O’Dwyer, 2006).

The massive usage of political appointments ends up in the so-called *politicization* of the bureaucracy. Politicization has been treated in various ways by scholars. According to Rouban (2007), the concept has been mainly viewed in three manners: as the political participation of civil servants in the political decision-making of governments, as their political involvement, and as the partisan control over the bureaucracy. The third connotation, the most traditional and the one used for this review, conceives politicization as “. . . the substitution of political criteria for merit-based criteria in the selection, retention, promotion, rewards, and disciplining of members of the public service” (Pierre and Peters, 2004, p. 2).⁸ Undoubtedly, politics may affect bureaucracy’s behavior differently from patronage. Political authorities can informally influence bureaucratic decisions on the core tasks of the organizations through pressuring officials, ignoring the technical advice by staff, and even manipulating the information they produce. Some American cases reveal this kind of practices, for instance, at the Immigration and Naturalization Service, the Environmental Protection Agency, the Food

⁸Similarly, (Kopecký and Scherlis, 2008, p. 356) define patronage as “the power of a party to appoint people to positions in public and semi-public life”.

and Drug Administration, and NASA (see [Gilboy \(1992\)](#); [Moynihan and Roberts \(2010\)](#)). [Bellò and Spano \(2015\)](#) find that Italian public managers perceive a political influence on the decision-making process, the setting of action plans, and the existing rewards/promotions policies. Managers also believe that politicians influence what objectives must be given priority, thus undermining considerations of the outputs of the decision-making process.

As noted above, despite the multitude of reforms fostered by governments to keep politics out, political patronage ties continue to jeopardize the ability of administrations to effectively govern and manage themselves ([Grindle, 2012](#); [Pierre and Peters, 2004](#)). Nevertheless, some scholars continue to focus on the dilemma about how political authorities can exert a legitimate control while ensuring that the bureaucracy preserves its capacity, professional values, and performance standards to serve the citizenry ([Svara, 1998](#)). In highly politicized bureaucracies, such as in the United States and several Latin American countries, there is a tendency to staff senior civil service positions with political appointments that rely on patronage-driven criteria ([Grindle, 2012](#); [Matheson et al., 2007](#)). These designations generally coexist with other mechanisms, which ultimately integrate merit and political loyalty. Indeed, work on party patronage has shown that it is common for political leaders to prefer appointees who combine professional qualifications and political loyalty ([Kopecký et al., 2016](#)). Further to the previous point, there is a strand of literature which suggests that political appointees are even important and can be relied on to improve government performance. For

example, the *administrative presidency approach*, first advanced by [Nathan \(1983\)](#), is a strategy to promote the political and policy agendas of the executive by circumventing career bureaucrats. Nathan introduced the concept to describe president Nixons and Reagans efforts to weaken seemingly autonomous civil service in order to control spending and other actions of the bureaucracy; clearly enough, administrative presidency assumes a sentiment of antipathy between the President and the bureaucracy. The administrative presidency model holds that people appointed by the president will be loyal to his agenda; this, in turn, promotes political responsiveness to the extent that voters elected a president with a specific platform that reflects that agenda. The model further assumes that career bureaucrats cannot be trusted and are not loyal enough to promote the presidents policies ([Aberbach et al., 1981](#); [Resh, 2015](#)).

[Jiang \(2018\)](#) advances an alternative view on the role of patron-client networks in public organizations. Viewing them beneficial, he argues that patronage appointments can help to improve the performance of bureaucracies. More specifically, he claims that the capacity of patron-client relations to coordinate actions in the absence of formal, third-party enforcement enables them to offer an important solution to the principal-agent problem that frequently occurs within the public service. By fostering mutual trust and raising the value of long-term cooperation, these relations help to align the interests between government agents and their principals and discourage short-term, opportunistic behaviors. When formal incentive schemes are weak or

incomplete, these personal ties can serve as an alternative mechanism for principals to mobilize agents to accomplish important governing tasks. This perspective echoes a growing, but still scattered, literature claiming that certain informal or traditionalistic practices can serve as second-best arrangements for stimulating growth in weakly institutionalized settings. [Schneider \(1992\)](#), for example, argues that the dense patronage networks in the Brazilian bureaucracy contributed to the countrys rapid industrial development in the 1970s and 1980s by facilitating coordination among different agencies.

In another important work, [Jia et al. \(2015\)](#) argue that patronage ties may facilitate meritocratic selection by giving senior leaders greater confidence in the loyalty of their subordinates, and they show that there exists a complementary relationship between political connection and performance in predicting provincial-level agencies' promotions. While the existing political science research on patronage networks has focused mainly on their negative consequences, such as corruption ([Rose-Ackerman and Palifka, 2016](#)) and vote buying ([Stokes, 2005](#)), they claim that these networks can also be used to advance more public-spirited goals. Both the early literature on organization theory and the more recent one on relational contracts, for example, have held a largely neutral view on the role of informal groups, seeing them as a useful mechanism to sustain compliance and effectiveness in hierarchically structured organizations ([Baker et al., 2002](#); [Barnard, 1968](#)).

Few studies underline the beneficial effects of some degree of politicization on performance within developed western democracies. The classic work by

[Aberbach and Rockman \(1994\)](#) begins describing the different roles presumed to exist between political appointees (short lived agents) and careerists (long lived agents) ([Spiller and Urbiztondo, 1994](#)). Early on, political appointees were thought to make policies, while career bureaucrats would implement them. Today, both are seen as policy makers and implementers. The authors find that political executives see themselves more as advocates for broader causes while career bureaucrats tend to mediate organized interests within the realm of their administrative mandates. Bureaucrats, they say, exhibit such characteristics as competence, fairness, and prudence, whereas the appointees convey greater passion and conviction. The point here is that research stresses not only the trade-offs between values of political responsiveness and technical expertise but also their complementarity. As [Maranto \(2005\)](#) points out, political appointees and career bureaucrats can and do cooperate with each other to perform the work of government, and they are bound by their common desire to *make the difference* ([Maranto, 2005](#), p. 12). Thus, the association between careerist and political appointees may be particularly fruitful. As [Maranto \(2005, p. 16\)](#) goes on to say, because of the tenure of careerists, “savvy political executives will generally seek to work with rather than against career executives”.

However, many empirical and theoretical studies show that countries in which the recruitment of civil servants is based mainly on merit instead of political affiliation perform better in the sense that they have more effective bureaucracies, higher economic growth ([Evans and Rauch, 1999](#)),

more universal welfare systems (Rothstein et al., 2012), and are less prone to corruption (Dahlström et al., 2012; Rauch and Evans, 2000). Focusing on bureaucracies' human resources efficacy, Perry and Miller (1991) found a positive impact of personnel actions that protect employees from political interventions; such practices also positively affect agency performance and public trust of the bureaucracy. Even more recent research has estimated differences in organizational performance depending on the mechanism for staffing public managers, showing that agencies headed by career managers achieve systematically higher performance ratings than those managed by political appointees (Gilmour and Lewis, 2006; Hollibaugh Jr, 2014; Lewis, 2007, 2010). Lewis (2010) used data from the Federal Human Capital Survey, and he found that agencies managed by career managers were perceived by employees as better led and managed than those run by political appointees. They were also considered better places to work.

The negative effect of politicization on performance might be even more pronounced when it is possible to determine the motivations behind political appointments. Gallo and Lewis (2011) distinguished patronage-driven from other types of appointments, with the former mainly based on previous work on campaigns or party affiliation. The authors confirmed the performance gap between organizations managed by careerists and by appointees. Agencies run by patronage-driven managers achieved lower performance than those led by other appointees, and even lower performance than organizations managed by career managers (Miller, 2014). Donahue et al. (2000)

show that cities with more politicized patronage-driven administrative bodies tend to have lower human resource management effectiveness. A possible explanation for this result is that “political machines have not traditionally been concerned with skills assessment, merit-based hiring, and other strategic activities (ibidem, p. 402).

A direct effect is grounded in the differences between the background of political appointees and career managers, which produces the performance gap in the agencies they led (Gallo and Lewis, 2011; Lewis, 2007, 2010). While appointees tend to have higher levels of education as well as more experience working in political positions, business, and/or nonprofits, careerists have backgrounds that seem more relevant for bureaucratic performance: a previous public management experience. Such expertise might be acquired by working in various agencies or even in the same agency that they might eventually manage, which makes them specialists in their respective professional areas. In addition, political appointees tend to have different behaviors than career managers, because they must maintain their political loyalty and the ideological commitment that brought them to their positions (Grindle, 2012). A serious problem clearly emerges when compromises influence appointees decision making to such a degree that their objectivity and rationality are undermined (Moynihan and Roberts, 2010). Neshkova and Kostadinova (2012) argue that the absence of political criteria in recruitment shelters administrative decisions from political rent-seeking and makes civil servants better able to withstand political pressure since their career is not on the line to the

same extent and since they do not owe their appointments to political superiors. Moreover, once a political appointee takes a position, it is likely that other appointments will follow. Indeed, patronage operates as a pyramidal system that grows vertically and horizontally, in which superiors (patrons) appoint one or more subordinates to jobs via political or personal loyalty (Bearfield, 2009; Grindle, 2012). Thus, most of the agencies relevant jobs become destined for other political appointees (Lewis, 2010), and this ensures an alteration of hiring practices that sometimes affects most probably the performance of the governance.

The deterioration of merit principles caused by politicization affects not only the recruitment and selection processes but also other human resources management practices, in particular, performance appraisals. Indeed, one of the problems about politicization is also how to deal with the subjectivity that appraisals entail, and how partisanship ultimately affects the fairness, validity, and effectiveness of assessments. In effect, the predominance of political appointees supervising positions might jeopardize the acceptance of performance appraisals by employees and, consequently, the perceived effectiveness of this practice, as they may question its fairness and its driving criteria (Kim and Holzer, 2016). In addition, the high turnover of appointed managers in politicized agencies limits the effectiveness of performance appraisals because they do not have much time at their agencies, so they do not know their subordinates well enough to judge their performance (Naff and Ricucci, 2012). This turnover negatively affects the construction of

trustworthy relationships, which is also essential for employees to accept the legitimacy of performance appraisal systems and outcomes. Besides resigning from politicized organizations plagued by unfairness, instability, and low morale, employees may also become apathetic. In fact, indifference may be more likely than turnover due to employees job security and tenure, which act as strong inhibitors (Vigoda, 2000). As a result, employees may trivialize training and professional development opportunities at agencies, as they realize that getting more expertise will not be rewarded (Lewis, 2010). Indeed, training policies are much more effective in those agencies where personnel might incorporate what they learn and where merit-based promotions predominate (Grindle and Hilderbrand, 1995).

The quality of public bureaucracy is widely regarded also as a fundamental determinant of corruption (Cardona, 1999; Tanzi, 1998; Treisman, 2000). Recent contributions stress the merits of the classic Weberian model of bureaucracy, in particular the positive impact of merit recruitment on lowering corruption (Dahlström et al., 2012; Rauch and Evans, 2000). By contrast, the role of other features of Weberian bureaucracies such as separate employment laws, formal examination systems, and permanent tenure remain contested. Moreover, studies of the impact of public sector wage levels have led to contradictory results (Dahlström et al., 2012; Sööt and Rootalu, 2012; Treisman, 2000; Van Rijckeghem and Weder, 2001). Early studies have typically been based on cross-country analyses that are primarily reliant on countrywide expert assessments of corruption and bureaucratic quality. It is worth not-

ing that these measures are often criticized. In particular, for their reliance on the perception of external observers, mostly international business elites; for the difficulty of comparing measurements across countries and time; for the politicization of governance indicators suggested by policy-makers and media ([Andersson and Heywood, 2009](#); [Olken, 2009](#); [Rose and Mishler, 2010](#); [Thomas, 2010](#)).

[Dahlström et al. \(2012\)](#) extend this line of research carrying it to 52 countries from the developed and developing world. They rely on an expert survey to distinguish the features of Weberian bureaucracies. Their empirical analysis finds that more professional bureaucracies that rely on merit recruitment, internal promotion, and de-politicization of careers feature less corruption. When distinguishing among the components of a professional bureaucracy, they find that merit recruitment is the main corruption-containing factor ([Charron et al., 2017](#); [Meyer-Sahling et al., 2018](#)). In addition, [Rauch and Evans \(2000\)](#) suggest that merit recruitment fosters an ethos of professionalism in the civil service. Formal examination procedures and merit standards lead to the selection of relatively more competent and honest officials who are subsequently socialized into professional norms that contradict corrupt behavior.

Therefore, political appointments have been argued to increase corruption risks in public administration ([Heywood and Meyer-Sahling, 2013](#)). At the individual level, they create personal dependencies between politicians and appointees. Political appointees have the incentive to collude with politi-

cians rather than act as a check if the latter engage in corrupt practices. In addition, political appointees, hired via fixed-term contracts, owe their position to a politician or party and face a greater risk of losing their job after politicians are voted out of office. Inevitably, political appointees have a shorter time horizon and therefore are more prone to keeping an eye on future employment and income opportunities outside public administration. This could give them incentives to collude in corrupt deals with private sector firms.

More recently, [Meyer-Sahling and Mikkelsen \(2016\)](#) provide evidence based on individual-level data from a survey of public servants in five Eastern European countries. They show that merit recruitment is associated with less corruption, while politicization is associated with more corruption. This finding is supported by [Heywood and Meyer-Sahling \(2013\)](#) qualitative analysis of the Polish ministerial bureaucracy and by [Bersch et al. \(2017\)](#) for Brazilian agencies. [Oliveros and Schuster \(2018\)](#) conduct a conjoint experiment in the Dominican Republic, finding, to my knowledge, the first (survey) experimental support for the argument that merit recruitment limits corruption.

5 Conclusions

Nowadays the state retains an important role in several (strategic) sectors of the economy, even in countries organized according to the principles of free market and private property. Indeed, in recent years governments,

partially divesting SOEs, have transformed the well-known model of state capitalism, under which they owned and managed wholly owned SOEs, into a new model in which governments at all levels work hand in hand with private investors. Beyond having rights to public agencies, governments preserved their role as minority or majority shareholders in a variety of firms across multiple industries, often retaining a controlling stake. As a result, (government) parties maintained their appointment authority over newly privatized firms and public agencies, most often nominating loyal co-partisans to these entities' management. Moreover, patronage has proved to be one of the reasons why privatizations and corporatizations have been partially and poorly implemented. This has allowed the endurance of what Pasquino, for the Italian case, called the *deep state colonization* made by political parties.

Political appointments are primarily made to control public institutions: parties nominate loyal individuals to top strategic positions (senior executives, board members, public managers) in order to render administrative structures and public firms more responsive to changes in policy priorities. Nevertheless, party leaders may also be tempted to use patronage job positions in exchange for party members' loyalty, thus mitigating the risk of intra-party rebellion in the face of electoral defeat or unpopular decisions made by the party. Further, considering the recent growing professionalization of politics, patronage has also been used for funding political parties and preserving political participation. In my view, it would be compelling to empirically investigate patronage as an instrument to assure intra-organizational

loyalty or to influence party elites' electoral strategies. Indeed, while party elites resort to patronage, along with their increasing dependency on state funding, has been identified as one indication of party change, its interplay with party elites electoral strategies have not been spelled out systematically. While empirical work on patronage shows that it is used to compensate party activists, it would be of some interest going one step forward and studying the strategical implications of the patronage usage in the political selection process. Beyond that, there are very few studies outside the U.S. that look into, e.g., the relationship between the ideological bias of the government and the level of patronage and politicization. The work of [Dahlström and Niklasson \(2013\)](#) represents one of the few exceptions. Analyzing the Swedish case the authors show that, contrary to what expected, the leftright affiliation of the government, the number of years they have been in power, and the parliamentary strength of the government parties do not display any convincing effects on politically-connected recruitment. They, therefore, conclude that the knowledge of which socio-political characteristics may favor the politicization of public administration is actually very limited.

Not necessarily conceiving patronage appointments as a detrimental practice, debates on the need for political control and the right balance of political appointees vs. a-political civil servants have been broadly made. Recent research on party patronage has argued that control is a necessary element of party government and can contribute to more efficient policy-making. Empirical research about the positive returns of politically appointed bureaucrats,

or directors of semi-public firms' boards, seem to be scant to this day. Therefore it would be stimulating to quantify the above "right balance" between appointees and careerists. In addition, further research must be encouraged to understand whether, e.g., politicians select competent professionals so that no efficiency issues arise from patronage appointments, beyond the value judgment about the selection criterion.

In spite of this, most scholars today agree that an administration uniquely run by political appointees is likely to have a severe negative impact on the competence, efficiency, legitimacy and corruption of the public administration. This particularly applies in the case when political criteria take precedence over merit criteria in public sector appointments. Indeed, the existing research on patronage networks holds a generally negative view about their impact on government performance. Studies from various political settings have argued that these private networks tend to undermine a governments ability to fulfill its public functions by distorting incentives and weakening agents' performance. The negative assessment of the effect of political patronage also figures prominently in comparative analyses of states successes and failures in promoting development, especially as an explanation for the poor economic performance of many developing countries ([Goldsmith, 1999](#)). The persistence of politicization and the major threat it seems to pose to public sector governance and performance reinforce the need for further inquiry. Important contributions have theoretically examined politicization, whereas only some have empirically tested its consequences, especially its deleterious

impact on organizational performance. Despite the remarkable value of these findings, the reasons behind the negative effects of the politicization of the civil service remain quite elusive. Moreover, the impact of politicization on performance has been mostly studied in the United States. Designing and implementing reforms to effectively control politicization requires deeper insight into the different areas where public agencies are affected by politicization, and how it affects performance.

In addition, patronage and politicization are regarded as detrimental practices which boost corruption, contrary to professionalization procedures. One prominent characteristic of professionalization is naturally represented by the adoption of merit laws in staff recruitment. Such laws typically require selection for the appointment to the civil service to be on merit and on the basis of fair and open competition. In practice, fair and open competition requires advertised vacancies and the selection of the best applicants in competitive written and/or oral examinations. Nevertheless, scholars have posited that the adoption of civil service laws does not necessarily lead to the de-politicization of civil services. Patronage is often permitted by law through loopholes such as temporary contracts or parallel institutions. Alternatively, incumbents may manipulate seemingly meritocratic examinations to favor preferred candidates. Also, executives may ignore merit laws: the absence of rule-of-law contexts, or weak law enforcement, is characteristic of patronage states. In the event that public servants, including those in charge of legal compliance, are appointed based on political and personal cri-

teria, then their decision-making typically prioritizes political-personal over professional-legal criteria. Legal violations of merit laws thus tend to go unpunished. Thus, further research would fruitfully investigate which conditions could rule out the just mentioned dynamics.

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