Supplementary Material: "Who Decides? Coalition Governance and Ministerial Discretion"

Results Conditioning on Flexible Exchange Rate Regime *and* Low CBI, see Footnote 27

Table One: Rational Partisan Cycles in the Macro-economy by Cabinet Actor

Dependent Variable:	Growth	Unemployment
DRPT_Finance Only t-1	0.047	-.114
	(0.43)	(0.28)
DRPT_Leadership Onlyt-1	-0.396	-0.01
	(0.37)	(0.06)
DRPT_Both in Same Directiont-1	-0.669	-0.202
	(0.27)	(0.14)
DRPT_Both in Different Directions t-1	2.531	0.285
	(0.97)	(0.29)
DRPT_ SPG t-1	-0.609	0.146
	(0.38)	(0.09)
R^2	0.53	0.46
N	283	126

Table Two: Rational Partisan Cycles in the Macro-economy, weighted by Preference Change

Dependent Variable:	Growth	Unemployment
DRPT_Finance Only t-1	0.034	-0.179
	(0.20)	(0.46)
DRPT_Leadership Onlyt-1	-0.199	-0.023
	(0.33)	(0.04)
DRPT_Both in Same Directiont-1	-0.200	-0.072
	(0.07)	(0.05)
DRPT_Both in Different Directions t-1	1.449	0.189
	(0.67)	(0.17)
DRPT_ SPG t-1	-0.125	0.039
	(0.10)	(0.02)
R^2	0.52	0.46
N	283	126

Table Three: Rational Partisan Effects on Inflation and Monetary Policy under Coalition Governments

Dependent Variable:	Inflation	Short-term Interest Rates	Long-term Interest Rates
Minister of Finance and PM			
RADM_Same t-1	0.380	-0.102	0.048
	(0.48)	(0.57)	(0.57)
RADM_Different t-1	2.020	-1.464	-1.876
	(0.71)	(0.85)	(0.96)
R^2	0.63	0.62	0.69
N	135	111	96
Minister of Finance and Largest Party			
RADM_Same t-1	0.015	0.209	0.445
	(0.50)	(0.52)	(0.63)
RADM_Different t-1	3.137	-2.521	-3.117
	(0.92)	(1.00)	(1.10)
R2	0.64	0.63	0.70
N	135	111	96

Results Conditioning on Flexible Exchange Rate Regime *and* Low Capital Mobility, fn 27

Table One: Rational Partisan Cycles in the Macro-economy by Cabinet Actor

Dependent Variable:	Growth	Unemployment
DRPT_Finance Only t-1	-0.094	-.200
	(0.46)	(0.26)
DRPT_Leadership Onlyt-1	-0.518	0.055
	(0.35)	(0.07)
DRPT_Both in Same Directiont-1	-0.619	-0.057
	(0.25)	(0.16)
DRPT_Both in Different Directions t-1	2.386	0.338
	(0.95)	(0.27)
DRPT_ SPG t-1	-0.294	0.062
	(0.34)	(0.11)
R^2	0.45	0.36
N	385	160

Table Two: Rational Partisan Cycles in the Macro-economy, weighted by Preference Change

Dependent Variable:	Growth	Unemployment
DRPT_Finance Only t-1	-0.026	-0.356
	(0.21)	(0.44)
DRPT_Leadership Onlyt-1	-0.335	0.003
	(0.32)	(0.04)
DRPT_Both in Same Directiont-1	-0.182	-0.019
	(0.07)	(0.06)
DRPT_Both in Different Directions t-1	1.455	0.228
	(0.65)	(0.16)
DRPT_ SPG t-1	-0.045	0.013
	(0.10)	(0.03)
R^2	0.45	0.37
N	385	160

Table Three: Rational Partisan Effects on Inflation and Monetary Policy under Coalition Governments

Dependent Variable:	Inflation	Short-term Interest Rates	Long-term Interest Rates
Minister of Finance and PM			
RADM_Same t-1	-0.151	0.200	-0.227
	(0.30)	(0.35)	(0.30)
RADM_Different t-1	2.321	-1.738	-2.467
	(0.69)	(0.93)	(1.04)
R2	0.64	0.50	0.61
N	191	167	152
Minister of Finance and Largest Party			
RADM_Same t-1	-0.297	0.348	0.001
	(0.32)	(0.37)	(0.32)
RADM_Different t-1	3.165	-2.189	-3.721
	(0.91)	(1.11)	(1.24)
R^2	0.64	0.50	0.62
N	191	167	152

Granger Causality Tests for Chronological Ordering of Expectations and Appointments

See Footnote 46

Inflation

	MoF Appointment	Expected Inflation
Appointment $_{t-n}$	1.00	0.95
Expected Inflation $_{t-n}$	0.88	0.00

Growth

	MoF Appointment	Expected Growth
Appointment $_{t-n}$	1.00	0.53
Expected Growth $_{t-n}$	0.17	0.00

Unemployment

	MoF Appointment	Expected Unemployment
Appointment $_{t-n}$	0.98	0.27
Expected Unemployment $_{t-n}$	0.26	0.00

NB: Top row of each table shows dependent variable, as change in Minister of Finance (1 is to right, 0 is no change, -1 is to left) or as expected macro-economic variable. Left-hand column shows explanatory variables, as lagged changes in appointment and lagged values of expected macro-economic outcome. The model is estimated as an ordered logit for the change in Minister of Finance and as an OLS regression for the expected macro-economic outcome. Cell values show the likelihood that the set of lags for that explanatory variable is significantly different from zero using an F-test of joint significance. Results indicate that lagged expectations are always significant for current values of expectations, but that past changes in appointments are not significant for current expectations, and that past expectations are not significant for current changes in appointment.