Title	Tangling with the Troika: ‘domestic ownership’ as political and administrative engagement in Greece, Ireland, and Portugal
Authors(s)	Hardiman, Niamh, Spanou, Calliope, Araújo, Joaquim Filipe, MacCarthaigh, Muiris
Publication date	2019-05-24
Publication information	Hardiman, Niamh, Calliope Spanou, Joaquim Filipe Araújo, and Muiris MacCarthaigh. “Tangling with the Troika: ‘domestic Ownership’ as Political and Administrative Engagement in Greece, Ireland, and Portugal” 21, no. 9 (May 24, 2019).
Publisher	Taylor & Francis
Item record/more information	http://hdl.handle.net/10197/10786
Publisher's statement	This is an Accepted Manuscript of an article published by Taylor & Francis in Public Management Review on 24 May 2019, available online: http://www.tandfonline.com/10.1080/14719037.2019.1618385.
Publisher's version (DOI)	10.1080/14719037.2019.1618385

Tangling with the Troika: 'domestic ownership' as political and administrative engagement in Greece, Ireland, and Portugal

Niamh Hardiman (Corresponding author)
UCD School of Politics and International Relations, and UCD Geary Institute for Public Policy, University College Dublin, Dublin, Ireland Niamh.Hardiman@ucd.ie

Calliope Spanou
Department of Political Science and Public Administration, National and Kapodistrian University of Athens, Athens, Greece
kspanou@pspa.uoa.gr

Joaquim Filipe Araújo
Department of International Relations and Public Administration, University of Minho, Braga, Portugal
jfilipe@eeg.uminho.pt

Muiris MacCarthaigh
School of History, Anthropology, Philosophy and Politics, and the George J. Mitchell Institute for Global Peace, Security and Justice,
Queen's University Belfast, Belfast, UK
MMacCarthaigh@qub.ac.uk

Forthcoming Special Issue on Influence of EU (and IMF) on Domestic Consolidation and Reform, *Public Management Review*.

https://www.tandfonline.com/doi/abs/10.1080/14719037.2019.1618385

Authors

Niamh Hardiman is a Professor of Political Science and Public Policy in UCD School of Politics and International Relations, a Research Fellow and member of the Executive of UCD Geary Institute for Public Policy, and a Fellow of UCD Dublin European Institute. She studied in UCD and in Nuffield College, Oxford. She was Tutor in Politics and a Fellow of Somerville College Oxford before moving to UCD. She is the Director of the interdisciplinary UCD Public Policy Programme. Her research interests include the political economy of European growth and development, the politics of fiscal policy, political-administrative relationships, and the implications of the crisis for the European periphery.

Calliope Spanou is Professor of Administrative Science and Public Administration at the National and Kapodistrian University of Athens. She studied Public Law and Political Science at the National and Kapodistrian University of Athens, and obtained a Doctorat d'Etat en Science Politique – Science Administrative at the Université de Picardie, Amiens. She was the Greek Ombudsman Deputy Ombudsman from 2003 to 2011, and Ombudsman from 2011 to 2015. She has conducted research and teaching visits to the Robert Schuman Centre for Advanced Studies, European University Institute, Florence; the Universities of Picardy, Paris II; Paris-Saint Quentin-en-Yvelines; and the Centre for European Studies, Nuffield College, Oxford, among others. Her research interests range from issues in public administration and civil service reform to public policies including structural reforms, environmental and social policy, administrative policies, citizen-administration relations, administration and democracy, and Europeanization.

Joaquim Filipe Ferraz Esteves Araújo is Associate Professor of Public Management, School of Economics and Management, University of Minho, Braga, Portugal. His PhD in Public Administration is from the University of Exeter, UK. His research interests are in public management, public sector reform, local government, and governance.

Muiris MacCarthaigh is Senior Lecturer in Politics and Public Administration in the School of History, Anthropology, Philosophy and Politics, and a Research Fellow at The Senator George J Mitchell Institute for Global Peace, Security and Justice, both at Queen's University Belfast. His PhD is from University College Dublin; he was formerly a researcher at the Institute of Public Administration in Dublin. His research engages with a variety of debates within and between political science and public sector governance, and in particular the role played by administrative systems (and the organisations within them) in translating political preferences into policy outcomes.

Abstract

This paper analyses variation in the degrees of difficulty involved in negotiating and implementing loan programmes with the international lenders in Greece, Ireland, and Portugal. All three countries displayed high degrees of ultimate compliance with fiscal consolidation and structural adjustment conditionality, but the pace of implementation varied significantly. This paper argues that 'domestic ownership' of the loan programmes is a key determinant of outcomes, understood in terms of two dimensions: negotiating capacity and implementation capacity. Empirical evidence confirms that these concepts provide a strong explanatory framework for understanding variation in relations between national governments and the international lenders.

Key words: loan conditionality, Troika, fiscal consolidation, European periphery, public administration

Introduction: pathways toward loan programme compliance

In 2010 and 2011, Greece, Ireland, and Portugal became the first countries to engage with the Troika of the European Commission (EC), the European Central Bank (ECB) and the International Monetary Fund (IMF) in implementing Eurozone loan programmes that required both fiscal retrenchment and structural reform. This paper examines the different modalities of engaging with the Troika in these three crisis-hit countries under the terms of similar loan programmes, in which each displayed different pathways to converge on similar ultimate performance outcomes. It argues that while all three eventually exited their programmes with high levels of compliance, variation in the way they dealt with the Troika is grounded in systematic patterns in their respective political and administrative systems.

The Troika recognized that programme compliance was not merely a matter of top-down channelling of conditionality into compliance: 'Irrespective of the programme country concerned, creditor countries face their own constraints, which impacts on the programme envelope' (European Parliament 2013, pp.5-6). But how best to conceptualize these constraints? A crucial explanatory variable that is often invoked to account for variation in the outcome of loan conditionality is that of 'domestic ownership': if governments willingly adopt the terms of programme conditionality, the targets are more certain to be met (Boughton and Mourmouras 2002). But this concept begs many questions about how it is to be identified and why it might vary (Spanou 2016). Some even assert that the term is 'so used and abused that it is now at best unhelpful and at worst misleading and obfuscating' (Buiter 2007, p.651). Then again, the Troika reported that the loan programmes were subject to modification in the light of domestic representations, and sufficiently flexible to adjust to unexpected trends in economic performance (European Parliament 2013, p.12). How this was managed and with what implications is relatively little understood.

In this paper we propose that the concept of domestic ownership continues to be of value, but needs to be understood as having two dimensions: the possibility of building cross-party ideational alliances around a reform agenda, and the institutional capacity of the administrative system to deal with the challenges of technical information flow and of reform implementation required by the international lenders. These are the conditions that underpinned the changing terms on which governments engaged with the Troika, and the manner in which this engagement shaped negotiations about programme implementation.

1. Managing conditionality: a review of the literature

Variation in domestic practices when negotiating with the Troika may be seen at two stages in the process, that is, agenda-setting and policy implementation (Spanou 2016; Boughton and Mourmouras 2002). The former is more tightly controlled by the executive, while the latter is likely to involve a wider range of actors (Hupe and Hill 2016).

Agenda-setting was ongoing throughout all the loan programmes. Specifically, what we mean by 'agenda-setting' here is the continuous process of 'negotiation as mode of coordination', involving 'mutual adjustment and accommodation of interests' rather than unilateral decision (Hill and Varone 2017, p.302). While the framework of conditionality was set by the lenders, details of policy composition and the timing of their roll-out were subject to regular discussion, and negotiation made it possible to modify the terms of the loan programme. Disagreement about programme details typically flared during periods of poor economic performance that generated an increase in social discontent, which in turn fuelled party contestation and put electoral pressure on governing parties. The resultant loss of momentum by government in the face of the waning popular legitimacy and acceptability of their measures is often termed 'reform fatigue'. A later review of the experiences by the European Stability Mechanism (ESM) noted that 'engagement with national authorities improved over time', but also that relations tended to worsen as programmes approached an end. National authorities thought the Troika had grown 'more intrusive' as time went on; while according to the Troika, governments relaxed their vigilance in response to the political costs of austerity (European Stability Mechanism 2017a, p.72). The details of how negotiations were conducted varied. Such divergent perspectives are highly suggestive of the scope for conflicting perspectives and preferences between the two sides. But how and why do these vary?

Agenda-setting was ongoing and involved government ministers and top public administration officials on the one hand, and the lenders on the other. The IMF has long noted that where the government is permitted to exercise a greater degree of control over the agenda, this can significantly help strengthen the domestic prospects of ‘reform’ measures (Boughton and Mourmouras 2002, pp. 19-21). Then again, programme review reports frequently comment that party-political contestation, reflecting broader social discontent, caused difficulties for governing parties in negotiations (IMF 2010c; 2012c, p.26; 2011a, p.35; 2012a, p.20). Studies of fiscal consolidation programmes find that the possibility of creating goal-oriented coalitions is a key variable in explaining outcomes (Hallerberg, Strauch, and von Hagen 2007). Coalition-building capacity would be expected to be similar important in explaining governments’ relations with the Troika. Conflict in the wider society became problematic in the negotiating process with the Troika if it was open to being mediated through parliamentary representation. Thus party system fragmentation is not necessarily the main variable of interest here: of greater significance is the degree of ideological differentiation of the parties (Hernández and Kriesi 2016). Where the main parties are closer to each other’s ideological position in policy space, the opposition is less likely to provide a fundamental challenge to imperatives of fiscal consolidation, but to accept it as a short-term inevitability. Where parties are further apart they are better positioned to channel wider social protest into parliamentary representation, and more likely to have an incentive to challenge the legitimacy of the government’s commitment to the austerity measures (Hutter, Kriesi, and Vidal 2018; Hobolt and Tilley 2016; Mauro 2011). Austerity has electoral costs for incumbents, and the ‘logic of appropriateness’ of a particular policy mix can be problematic for them (Schimmelfennig and Sedelmeier 2004, p.667; Mulas-Granados 2004).

The second facet of government relations with the Troika is the process of implementing the terms of the agreement. The interplay between government commitments (to the lenders) and its capacity to implement the policy commitments (in the wider society) can be framed in terms of an ‘implementation gap’, based on a conception of the policy process as a rational process of delivery to achieve outcomes that are measurable and that run to a specified timetable (Jenkins-Smith and Sabatier 1993).

The implementation side of loan programmes therefore depends on the structure and functioning of the public administration system. Three features of public administration may be identified as particularly relevant here. The first is the technical-rational capabilities of the public bureaucracy, that is, the availability of high-quality data to enable evidence-based policy-making and reform implementation (Ongaro 2009; Pollitt and Bouckaert 2017; Head 2016). The second is the effectiveness of the public administration in the sense of the organizational capacity to put policy into effect through clear lines of accountability and effective coordination between departments, agencies, and across networks (Peters 2014). The third is the quality of the public administration in the sense of its independence of political patronage and clientelism, and its capacity for impartiality in its relations with civil society (Mastenbroek and Martinsen 2017; Teorell 2009; Ramos Larraburu, Panizza, and Peters 2018). Given the exigencies of policy implementation, Bird's comment is hardly surprising that effective implementation all too often 'lies on a knife edge' (Bird 1998, p.107).

We have identified two dimensions of relations with the Troika governing domestic ownership: agenda-setting and programme implementation. Ideological polarization in the party system is central to the nature of government engagement in agenda-setting negotiations about timing, prioritization, and composition of reform efforts. Programme implementation under Troika oversight depends not only on government effort but also on organizational features of the administrative system itself. These insights guide our further inquiries.

2. Methodology and case selection

This paper is a theoretically-guided, structured-focused comparison of three cases to trace the operation of the explanatory variables we propose in order to account for the outcomes of interest (George and Bennett 2005; Gerring 2007; Bennett and Elman 2006). The explanatory variables are the domestic factors shaping the agenda-setting and policy implementation aspects of the programmes. The main indicators here are the ideological polarization of parties, and the effectiveness of the administrative system.

The ultimate outcome stimulating our inquiry is the observation that all three countries display successful implementation of and exit from loan programmes. These three countries were the only ones in their class of loan programme prior to the establishment of the permanent European Stability Mechanism (ESM) (European Stability Mechanism 2017b, pp.5-6).[1] Ireland exited its loan programme early at the end of 2013, and Portugal did so on target in 2014. Greece was obliged to enter a second loan programme in 2012 and a third in 2015, before achieving its successful though delayed exit in August 2018. The outcome of interest in this paper is therefore the variation in the type of engagement each of these three countries had with the Troika and how this varied over time with reference to our two key explanatory variables (Seawright and Gerring 2008; Goertz and Mahoney 2012).

Our analysis draws upon primary documentation from Troika reports and extensive use of secondary sources. We substantiate core claims through interviews with key informants from government, public administration, and civil society in each of the three countries. These are drawn from a wider set of interviews undertaken between 2012 and 2018. Details of the interviews directly cited in this paper are provided in the Appendix.

3. Profiling the indicators

There is equifinality of outcome between the three cases in their high scores on both total fiscal effort and overall programme compliance. All three countries had excellent overall scores on the implementation record of programme conditionalities: over 90% in Ireland and 80% in Portugal; and almost 80% in total in Greece's second programme (and a similar outcome by the end of the third programme in 2018), based on the IMF Monitoring of Fund Arrangement (MONA) database (Terzi 2015, Figs. 2 and 3). All three were the leaders in the OECD scoreboard of 'overall reform responsiveness' between 2007 and 2014 (OECD 2015, Fig.4.2). The loan programmes involved ambitious targets for deficit reduction (Kickert and Randma-Liiv 2015). These are summarized in Table 1.

Table 1. Principal elements of the loan programmes

Country	Fiscal adjustment

Greece	**Programme 1,** May 2010 to May 2013 €110bn (€73bn was disbursed) or 18% of GDP. Primary balance from a deficit of 8.5% of GDP in 2009 to a surplus of just below 6 % of GDP in 2013-14. Current account deficit to a level 2-3% of GDP) a 10 % of GDP deficit in 2009 **Programme 2,** March 2012- May 2015 €134bn. Given implementation difficulties, over €130bn was not disbursed. Primary budget deficit of 1% in 2012 and 4.5% in 2014 and thereafter. Debt restructuring with a nominal haircut of 53.5%. **Programme 3**, August 2015- August 2018 €86bn, Primary surplus targets of -0.25, 0.5, 1.75 and 3.5 % of GDP in 2015, 2016, 2017 and 2018 and beyond, respectively A medium-term primary surplus of 3.5% of GDP until 2022. Upon programme exit in August 2018, Greece is required to maintain a primary fiscal surplus of 3.5% of GDP until 2022 and 2.2% until 2060.
Portugal	May 2011 – June 2014 €78bn or 44.3% of GDP Deficit to be cut from 11% in 2010, 4.5% in 2012, and just over 2% by 2013.
Ireland	Dec 2010- Dec 2013 €85bn or some 40% GDP. Deficit of 11.7% (net of the costs of bank recapitalization) to be cut from 7% in 2012 to below 3% by 2014.

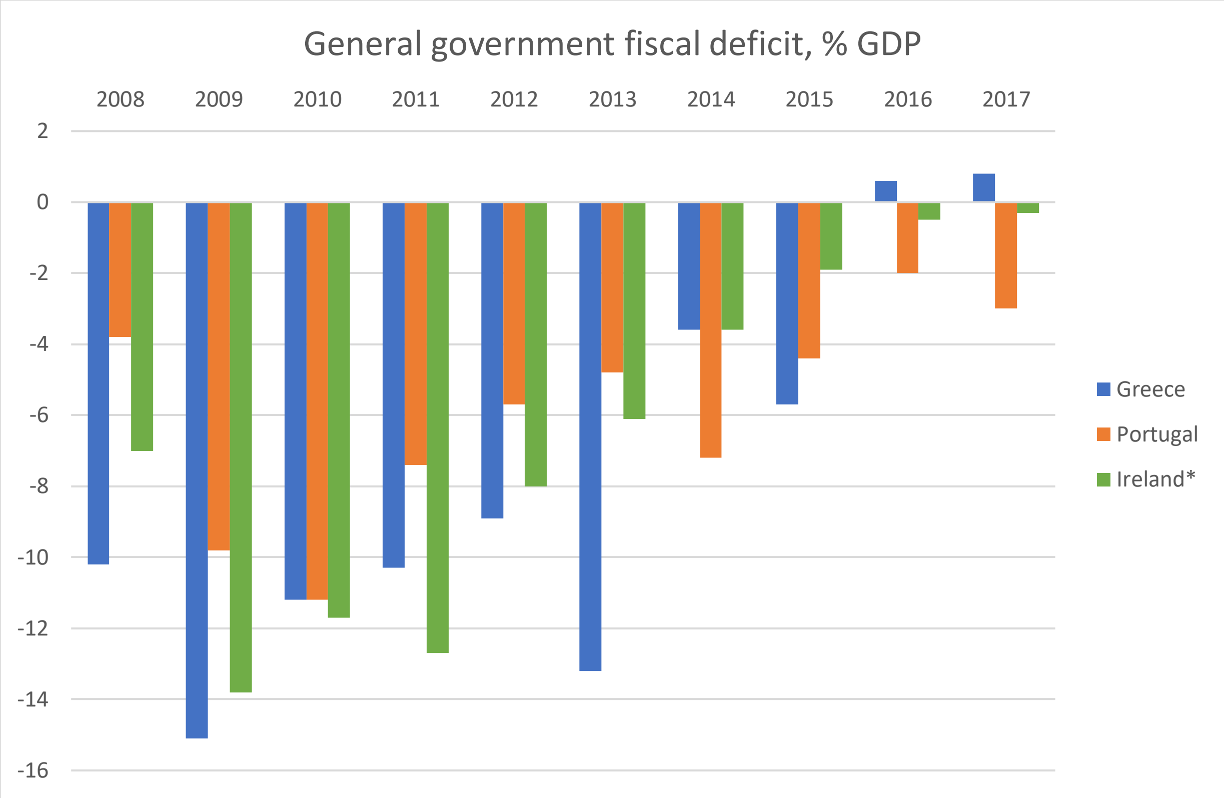
Source: Country loan programme documents.

On the key criterion of fiscal consolidation, between 2009 and 2012 Greece achieved an 11-percentage-point improvement in its primary fiscal balance, Ireland 8 points, and Portugal 7 (OECD 2012). Greece's fiscal structural adjustment amounted to around 16 per cent of GDP between 2010 and 2015, and 2016 and 2017 saw further compliance taking place, even achieving primary fiscal surpluses by 2016 (IMF 2017; Eurostat 2018a).

Programme compliance, economic performance, social indicators

Profiling deficit performance confirms that all three countries ultimately met their objectives. But it also shows that they did so at different rates: fiscal targets were broadly met on target in Ireland, involved some rescheduling in Portugal, and were subject to much variation in Greece. Performance on the fiscal deficit, the principal measure of fiscal consolidation, is summarized in Figure 1 below.

Figure 1. General government fiscal deficit, % GDP

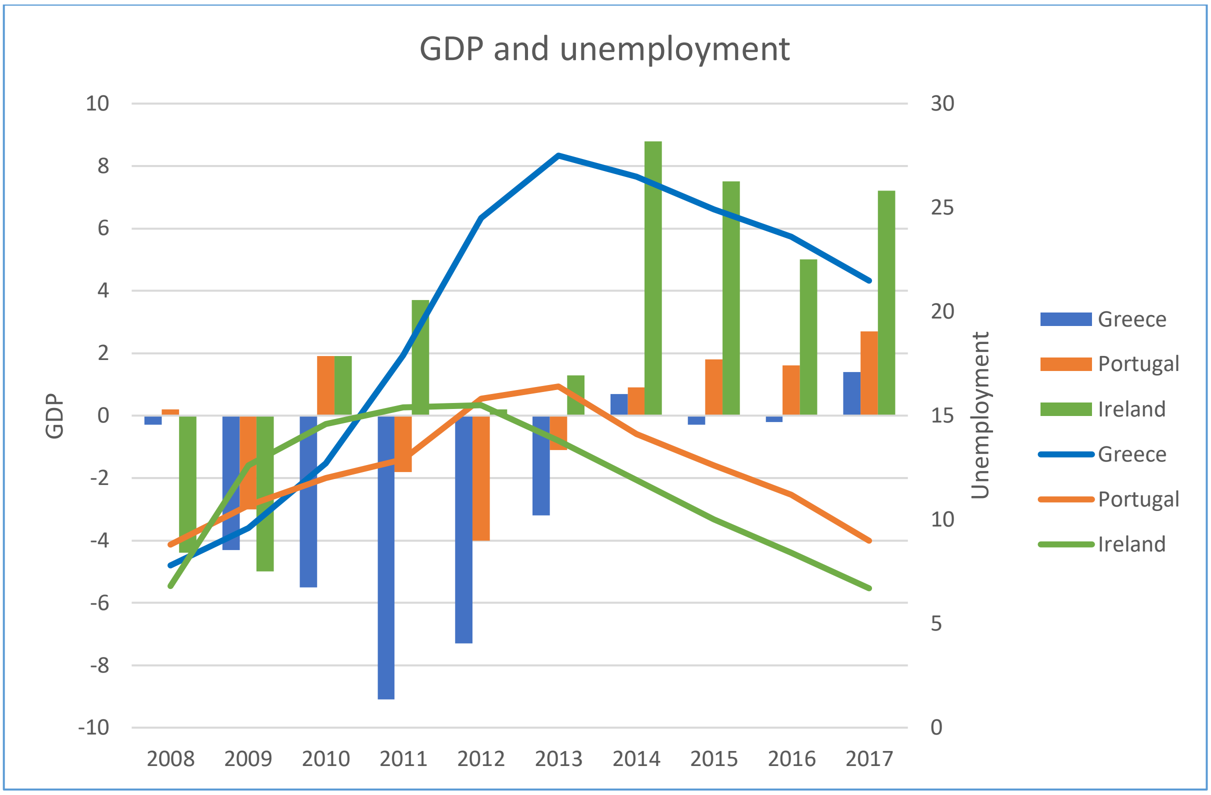


Source: (Eurostat 2018a)

Greece's starting position was more problematic than the other two in that there were concerns about its debt sustainability from the outset. Concern about the scale of debt write-off necessary for programme sustainability and indeed legitimacy was aired within the Troika from the outset but only later publicly acknowledged (IMF Independent Evaluation Office 2016). Contextual conditions also hindered recovery prospects: the fall in demand across the Eurozone was larger than anticipated, and 'the Troika probably underestimated in its initial assessment the negative externalities across the euro area stemming from the spread of the crisis from the periphery to the core' (Pisani-Ferry, Sapir, and Wolff 2013, p.101).

Variable economic performance and experiences of hardship set the scene for social discontent and protest against the loan programmes, and the consequent protests contributed to the periodic 'reform fatigue' among governments noted by the international lenders. Figures 2 and 3 give an indication of the wider economic and social impact of the loan programmes.

Figure 2. GDP and unemployment

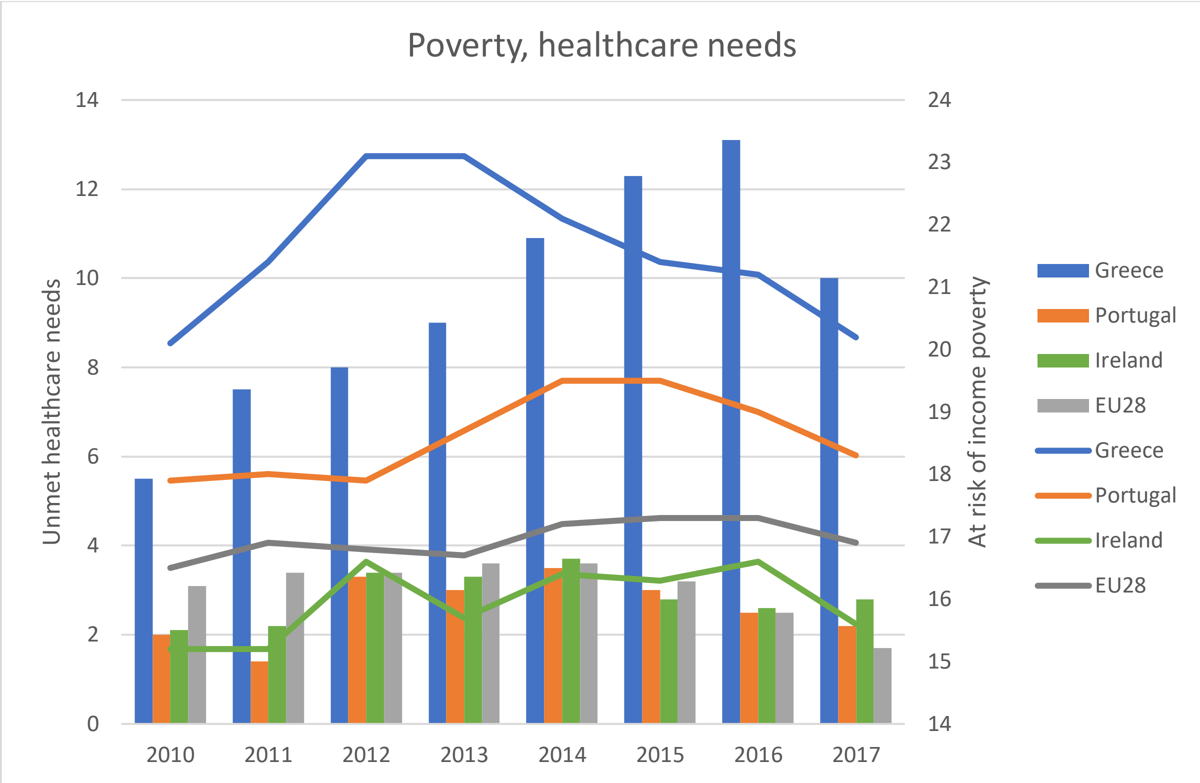


Source: (Eurostat 2018a)

Figure 2 shows the performance of GDP and unemployment associated with fiscal consolidation. Real GDP growth assumptions regularly shifted, as earlier projections consistently proved too optimistic (European Stability Mechanism 2017a, p.24). Using 2010 as a base, the index of GDP in 2017 in Ireland was 161 (even if overstated by super-normal FDI profit-shifting activities); in Portugal it had regained 100; but in Greece it was 83, indicating the differential scale of real wealth destruction and the difficulty of devising a sustainable pathway to recovery (Eurostat 2018a).

Declining living standards contributed to the reform or 'austerity' fatigue that was associated with more problematic engagement with the Troika. Figure 3 provides some indication of variation in the degree of hardship.

Figure 3. Poverty and healthcare needs



Source: (Eurostat 2018b)

This charts 'at risk of poverty' (after income transfers) as an indicator of effects of fiscal retrenchment, and 'unmet healthcare needs' as a proxy for decline in access to and quality of social services (Eurostat 2018b). These contextual conditions were most problematic in Greece, less so in Portugal, and least so in Ireland.

Agenda-setting and policy implementation indicators

We now turn to indicators of countries' capacities to engage in constructive agenda-setting negotiations with the Troika, and to secure effective implementation of their loan programme. Each of these is operationalized with reference to a set of indicators that have been theoretically identified as central to the capacities we are interested in.

On Dalton's index of party system polarization, Ireland had the sixth lowest aggregate score out of 29 cases, while Portugal was in the medium-level position with the eleventh-highest score (Dalton 2008, p. 906). Other sources indicate that polarization in Greece was on average higher than in either of the other two cases (Vasilopoulou and Halikiopoulou 2013; Rori 2016).

However left-right party polarization is not necessarily a constant but can ebb and flow over time, depending on circumstances: polarization is inherently political and relational (Dellepiane-Avellaneda and Hardiman 2015; Somer and McCoy 2019). The most dramatic instance of this may be seen in the narrowing of Greek ideological polarization during the 1990s and 2000s and an ideological convergence toward the centre, which was disrupted by the crisis, thus opening space for new social protest mobilization and new polarization (Andreadis and Stavrakakis 2019). In Portugal, the crisis enforced some initial convergence across the established left-right cleavage. But the experience of fiscal retrenchment quickly stimulated a renewal of strong opposition on the left (Altiparmakis and Lorenzini 2018, pp. 83, 85; Accornero and Ramos Pinto 2015). In Ireland the left-right cleavage was traditionally weak, and polarization was low; this did not change substantially (Costello 2017).

On administrative capacity for policy implementation, the relevant criteria are the availability of high-quality technical economic and social data, good institutional coordination, and low levels of clientelism. As a proxy for the availability of quality policy-relevant data, we use performance budgeting practices (OECD 2018, p. 127). Among 32 OECD countries surveyed, Ireland ranked 14th, and Portugal 28th. Portugal had level-pegged Greece in 2011 but had fallen back by 2018. Greece, ranking 20th in 2018, had improved its score since 2011; Ireland's relative position was largely unchanged.

On a widely-used index of administrative coordination for 'effective implementation', Ireland and Portugal both score 6.4 (in 2018), and (unlike Greece) both had very good scores for government efficiency and ministerial compliance. Greece at 4.9 has particularly low scores for task funding and for national standard-setting (Bertelsmann Stiftung 2018).

Considering the indicator of administrative impartiality, Greece's state had long featured strong networks of clientelism, rooting parties in distinct social support bases, and extending into many public service sectors, particularly through trade union membership, amounting even to state capture (Boughton and Mourmouras 2002, pp.10-12). In line with analyses by both Crozier and Featherstone, it has been described as a 'société bloquée' and a '*quasi*-Weberian hierarchical bureaucracy' (Ladi 2014, p.192, italics in original). In contrast, Portuguese and Irish political parties secured electoral support more diffusely (Afonso, Zartaloudis, and Papadopoulos 2014; Mainwaring and McGraw 2019). The Corruption Perceptions Index is a well-known indicator of the quality of public governance. Ireland regularly rated about 8 on its 10-point scale between 1995 and 2010, while Portugal averaged around 6 and Greece 4 (Koulovatianos and Tsoukalis 2015). In 2018, Ireland ranked 18th of 180 countries with a score of 73 out of 100. Portugal was 30th with 64, while Greece ranked 67th with a score of 45 (Transparency International 2018).

Together, these indicators suggest a pattern of anticipated degrees of difficulty in managing relations with the Troika. We summarize the preceding discussion in Table 2. These indicators lead us to expect that both agenda-setting and programme implementation capacity would be highest in Ireland, somewhat difficult in Portugal, and most problematic in Greece.

Table 2. Conditions shaping relations with the Troika and anticipated outcomes

Domestic conditions			Outcome predictions	
	Political resources: scope for cross-party ideational agreement in light of party system polarization	Administrative resources: quality of public administration	Ease of loan programme agenda-setting	Ease of loan programme implementation
Ireland	High	High	Good	Good
Portugal	Medium to 2011, low thereafter	Medium-to-good	Good though variable	Medium
Greece	Medium to 2010; higher polarization from 2012	Low	Highly variable over time	Medium-to-low

4. Pathways toward programme compliance

In this section we assess the significance of our key variables in accounting for variation in the extent of domestic ownership of loan programmes, looking at the scale of conflict over agenda-setting and implementation between governments and the Troika. We consider the countries according to anticipated escalating levels of difficulty as indicated in Table 2: first Ireland, then Portugal, finally Greece.

Ireland

We anticipated that Ireland's agenda-setting capacity would be good due to the low level of ideational polarization of political parties. The loan programme agreed in December 2010 by the outgoing centre-right Fianna Fáil government, which had largely been prepared by the government itself prior to entering the loan programme (Department of Finance 2010), was then accepted as a fait accompli by the incoming government of centre-right Fine Gael and centre-left Labour. The new government's decisive majority in early 2011, and the electoral collapse of Fianna Fáil, further strengthened the hand of the executive in parliament (Quinlan and Okolikj 2017; Little 2011). Its assent to the parameters of the loan programme, under Fine Gael Taoiseach (Prime Minister) Enda Kenny, came as a relief to the Troika (IMF 2012b, p.20).

That said, this government insisted upon some significant amendments to the terms of the agreement both at the outset and in its detailed subsequent implementation. The (smaller) Labour Party coalition partner fought hard to secure successful modification of the Memorandum on a range of social protection and industrial relations issues (Regan 2013; Hardiman and Regan 2013). The coalition also presented a common front to the Troika in a concerted effort to re-open the controversial terms of bank recapitalization that were written into the loan agreement, though to limited avail in this case (Whelan 2014).

Specific institutional and administrative reforms undertaken by the incoming government strengthened the capacity to deliver a coherent implementation strategy. It established an inner cabinet committee, the Economic Management Council (EMC), to coordinate and manage government business and especially the cross-departmental policy commitments written into the Memorandum. The EMC consisted of the Taoiseach, the two key economic ministers from Finance and DPER (both from Fine Gael), and the leader of the Labour Party (MacCarthaigh 2017).The government also set up a new Department of Public Expenditure and Reform (DPER), linked to but separate from the Department of Finance. DPER was charged with managing not only public spending cuts but the most extensive public sector reform programme Ireland had yet experienced, including rationalization of many aspects of public administration, wide-ranging spending review practices, and reorganization of public services delivery.

Negotiations with the Troika were thus institutionally well structured, and a well-placed IMF commentator commented on ‘the high degree of program ownership by the authorities throughout’ (Donovan 2016, p.19). But points of conflict were nevertheless numerous. The Labour Party’s defence of key features of social protection was hard-won (interview IR5). The Central Bank of Ireland (CBI), while noting that ‘the CBI was able to secure a significant number of modifications to Troika demands to ensure more favourable outcomes for Ireland’, was quite dissatisfied with what it regarded as supererogatory compliance requirements affecting the financial sector (Central Bank of Ireland 2013).[2] The IMF itself noted that the large scale of Ireland’s loan programme (about 40 per cent of GDP) and its commitment to the biggest financial bailout in history meant that domestic management of the loan programme was distinctly challenging: ‘Adhering to the fiscal targets and restructuring the financial sector require strong political will and public support’ (IMF 2010a, p.12).

Social protest had not been eliminated by deals struck with the public sector (Naughton 2015). Indeed, the Irish Congress of Trade Unions (ICTU) withdrew from the meetings entirely and refused to accord the Troika any further legitimacy (interviews IR3, IR4). Nonetheless, the ideational commitment to completing the loan programme was sustained by all the major parliamentary parties for the duration of the programme, and Ireland evinced little serious reform fatigue.

Agenda-setting and agenda-modifying discussions continued throughout the programme. These covered changes in scale, phasing, or sometimes content of reform measures, within the requisite fiscal targets. However, many detailed items proposed by the Troika were held by senior administrators to be simply inappropriate. Senior administrators in the Department of Finance note that the IMF displayed more flexibility in striking deals than did EC or ECB representatives (interview IR1). Irish officials displayed some skill in obtaining flexibility. They eventually signed off on all 270 programme objectives, but ‘they were not necessarily the same 270, or delivered on the same time-scale as envisaged at the outset’ (interview IR1). Some of the items that were inserted into the agreement at the behest of the Irish policy officials stemmed from a domestic policy agenda, particularly in areas of public sector reform, as these could be more readily legitimated under the shadow of Troika authority (interview IR2).

Discussions about implementation also went on throughout the duration of the loan programme. Troika officials were embedded at key monitoring points in the public administration. The quality of data available was already high, so too was implementation. But although performance was always satisfactory, the need to subject national policy to the Troika's approval was experienced as humiliating (Hand 2014). The pressure to meet the quarterly targets for each programme review was considered to be quite gruelling and was widely resented. In the words of a senior political advisor: 'one of the things that exit from the [Troika] bailout in so speedy a fashion has done…is to minimize the disaster of having to enter it in the first place' (interview IR2).

Portugal

Portugal's agenda-setting capacity in relation to the loan programme was problematic in the early stages (IMF 2010c, p.9), proceeded more smoothly for a while, then grew increasingly contentious again. The claim that these shifts are attributable to ideological polarization in the party system and the availability of a parliamentary vehicle for anti-austerity societal protest is considered below.

Between 2009 and June 2011 a minority centre-left Socialist Party (PS) government had tried to maintain the heterodox stimulus programme it had favoured in response to the crisis. Faced with intense criticism from the fiscally orthodox centre-right opposition of Social Democrats (PSD) and Christian Democrats (CDS-PP), the PS increasingly relied on extra-parliamentary executive authority to drive through its fiscal aims. Prime Minister Sócrates (PS) then reluctantly accepted the inevitability of a loan programme in April 2011. His government's consequent loss of credibility paved the way for a centre-right coalition in June 2011. But the Troika required that all three largest parties should sign the April 2011 Memorandum (IMF 2011b, p.16). Opposition capacity now shifted further left to the Communist Party (PCP) and the Left Bloc (BE), and to their strong trade union affiliates.

Between 2011 and 2014, the centre-right government actively drove the programme: 'Government understood the urgency of the moment and was absolutely committed to the success of the program' (interview PT1, also PT4). Agenda-setting negotiations were helped by fact that Prime Minister Pedro Passos Coelho (PSD), backed by his fiscally hawkish Finance Minister Vitor Gaspar, had committed to exceeding the fiscal retrenchment objectives of the loan programme. Only days after taking office, the government announced several austerity measures additional to those established in the memorandum (Público 2011). As in Ireland, this was also viewed as an opportunity for government to press reforms they had wanted: 'The programme was not imposed by the Troika. The Troika was the way to do what was needed' (interview, PT3). Indeed, the government 'often required the international lenders to insert some items in the document to get reforms easier' in order to circumvent opposition (Moury and Freire 2013, online publication). Disagreement with the Troika about priorities or implementation engendered dialogue and negotiation rather than the withdrawal of compliance frequently noted in Greece (Moury and Standring 2017). An interviewee points out that 'Portugal did not trade on its knees. It was always possible to adjust the measures proposed by the Troika when they were not appropriate' (interview PT1). In turn, the IMF interpreted the government's tough position positively, noting 'strong political support' for the programme (IMF 2012c, p.26).

Initially, administrative capacity in terms of quality of policy-relevant data and administrative coordination was not uniform: 'The dynamics between ministries varied according to government areas. Coordination and implementation were easier in some ministries, while in others there were many coordination problems' (interview PT3). Coordination difficulties were addressed by the creation of a task force of some fifteen people, the *ESAME-Estrutura de Acompanhamento dos Memorandos* (Memorandum Tracking Structure), which developed project management techniques to follow through on programme implementation, particularly at ministerial level. 'ESAM was fundamental in building a bridge between the Troika and the ministries and between ministries' (interview PT2, affirmed by PT4). This task force was under the direct supervision of the Prime Minister, another signal of government's commitment to the success of the programme.

Both party system polarization and social protest capacity increased in the course of the programme, creating new problems of implementation (Altiparmakis and Lorenzini 2018). The PS and other left parties became increasingly oppositional, and 2012 and 2013 saw 'the largest public demonstrations recorded in Portuguese history' (Accornero and Ramos Pinto 2015, p.500). This was further supported in 2013 and 2014 by Constitutional Court decisions that ruled against some welfare-related spending cuts. These challenges to progamme legitimacy provoked resistance within government to ongoing toughness in government. Over the four years of centre-right government (2011-2015), no fewer than 32 government reshuffles took place: reform fatigue was setting in. In its seventh review in 2013 the IMF noted that 'the solid social and political consensus that to date has buttressed strong program implementation has weakened significantly'. It acknowledged that 'there is a strong case for revisiting the mix between adjustment and financing', suggesting that the 'agreement that the fiscal deficit path under the program needed to be recalibrated', given an expected output contraction of 2.25% in 2013 (IMF 2013, pp. 2, 12). Some relaxation in the fiscal compliance timeline followed. This helped make successful completion of the loan programme more politically sustainable and easier to implement administratively.

Greece

Among our three cases, Greece had the most problematic experiences in both agenda-setting and policy implementation engagements with the Troika, even though Pasok (Socialist) Prime Minister George Papandreou and Finance Minister George Papaconstantinou had accepted the inevitability of the first loan programme or Memorandum in May 2010 (Papaconstantinou 2016), and the IMF's initial expectations of smooth agenda-setting negotiations were positive (Koulovatianos and Tsoukalis 2015; IMF 2010b, pp. 21, 138-9).

But it took time for all the Greek political parties to assent to the terms of the loan programme. The timeframe for both negotiating and implementing the programme reduced the scope for real debate that could help build cross-party acceptance of the reforms, and government relied increasingly on non-parliamentary legislative mechanisms. Attempting to regain legitimacy, Papandreou planned to hold a referendum at the end of 2011. But his difficulties at this point presaged deeper political division to come, and he was obliged to resign in the face of the lenders' concerns. The ensuing 'technocratic' government gained momentum in programme implementation, but these events resulted in catastrophic electoral losses for Pasok in June 2012. A centre-right coalition was then formed, led by New Democracy (ND), which included the now much-depleted Pasok and the smaller left party DIMAR. All these were now committed to the (second) loan programme, albeit with an attitude of 'reluctant redemption' (Papadimitriou, Pegasiou, and Zartaloudis 2018, p.2). In 2014 the IMF commended Greek governments for achieving 'the strongest cyclically-adjusted fiscal position within the euro area in just four years' (IMF 2014b, pp.22-23). But the government was deeply unpopular, and just one year into its mandate it lost its smaller government partner.

The leftist grouping Syriza was the main winner from these events. It had been the principal mobilizer of extra-parliamentary opposition, and now emerged as the leading parliamentary opposition party as well, with a jump from about 4% in 2009 to almost 27% of the popular vote in the 2012 elections. In January 2015, Syriza won over one-third of the popular vote by playing to strong anti-Memorandum emotion, and its dominance was amplified by the high level of disproportionality in the electoral system compared with Portugal or Ireland (Caramani 2017, p.234). It now formed an aggressively 'anti-austerity' coalition government with the small right-wing nationalist-populist party, ANEL (until early 2019), and adopted a 'robust hard negotiation strategy' with the Troika (Zahariadis 2017, p.686).

However, faced immediately with the choice between what Prime Minster Tsipras called 'a painful compromise or economic catastrophe', Syriza was forced into a sharp policy reversal (Zahariadis 2017, pp.689, 696). Efforts to influence the Eurogroup proved fruitless, and in the light of what President of the European Commission termed Greece's 'betrayal', the third adjustment programme in 2015 contained yet tougher fiscal targets (Morris 2015).

It was only now that all parties were committed to working within the terms of the loan programme (Andreadis and Stavrakakis 2019). It had been a long road, and a costly one: Greek public finances had briefly achieved a primary fiscal balance in 2014, but these targets had slipped badly by mid-2015 as a result of partisan contestation.

The scope for agenda-setting by government was therefore narrowed by the difficulties of establishing credibility against a backdrop of party system and ideational polarization. The implementation side of things was similarly problematic. The Finance ministry initially took the key coordinating role both in fiscal consolidation and in overseeing implementation of structural reforms (Spanou 2018). A formalized structure of central coordination took some time to emerge, and only took shape under Troika pressure.

Until 2011 (during the first Memorandum), most of the administrative reforms reflected government priorities: 'the Troika did not know what the needs were' (interview GR1). But decisions were often pre-emptive and were experienced as having been made under duress. A key government minister, commenting on an initiative to increase working hours in the civil service, commented that: ‘I won’t put myself in a position where the Troika tells me what to do and I do it.’ Public perception of seeming to let the Troika lead would be hard to manage: ‘if you did it, you were the Troika’s instrument. If you refused, the reaction would be: “we pay the lazy slackers (ie civil servants) to do nothing”’ (interview GR1).

As the loan programme evolved, the Troika enlarged its contacts beyond the core group of Prime Minister and Finance Minister to include the various ministries involved in detailed policy implementation. But these meetings were frequently conflictual and problematic, and ministerial compliance was highly variable (Papaconstantinou 2016, pp.155, 158). A key minister commented as follows (interview GR3):

> I would qualify ‘cooperation’ with the Troika as painful. They wanted to impose their opinions, and they always did, even when we disagreed. Besides, if they didn’t impose them, the country would not receive financial assistance. They were suspicious of us, they did not believe what we told them. I avoided meetings with them as much as I could.

Further political challenges arose as new policy areas were drawn into contention, as for instance with the IMF’s stated objective of ‘breaking the taboo of public employment’ (IMF 2014a, p.13). Indeed, ‘even the EU Task Force’ (see below) ‘was not listened to by the Troika on these matters’ (interview GR3; also confirmed by GR2, GR4, and GR5).

Administrative capacity had long been problematic across the various indicators considered by this paper, that is, quality of policy-relevant data, administrative coordination, and ‘impartial’ public administration (Featherstone and Papadimitriou 2013). This now had a severe effect on implementation capacity, and staffing cutbacks further exacerbated the situation (interview GR3). Efforts to reform the public administrative system amounted to ‘policy failure’ or ‘inertia’ (Ladi 2014, p.204). Troika staff members were embedded throughout the system to work intensively on details of state reform, an experience that generated much resentment across the public administration. A European Commission Task Force for Greece was set up in 2011 to assist reform capacity by mobilizing and coordinating the technical assistance to support the implementation of the conditionality (European Parliament 2013, p.10; Spanou 2018).

The limited implementation capacity of the Greek public administration was evident in terms of preparation, coordination, and substance. Precisely because ‘Greece had nothing to put on the table’, it was expected to accept extensive direction of its reform programme; the Task Force on Greece reported to the European Parliament that ‘no country has accepted what they wanted to impose to Greece’ (interview GR5). Meanwhile, relations between the trade unions and the Troika deteriorated, and as a top union leader stated: ‘Their programme has pushed the Greek economy into recession, and has provoked huge problems in Greek society, the primary one being that of rising unemployment’ (General Confederation of Greek Workers - GSEE 2012).

Political difficulties involved in programme implementation were reflected in delays in finalizing the programme reviews, which became more frequent and more protracted with each programme. The first programme completed all reviews despite difficulties and minor delays. Only five out of sixteen evaluations of the second programme signed with the IMF were completed in four years. The fifth Troika review of the second programme due in 2014 was never completed due to the mounting social and political discontent that brought Syriza to power. Review of the implementation of the third programme by the Syriza-led government showed further lengthy delays: the first quarterly review was completed with a delay of ten months, and the second was completed in summer 2017, over a year later than planned.

5. Discussion and conclusions

This paper set out to account for variation in the conditions under which three countries in Troika loan programmes reached the same outcome of programme compliance, but along different trajectories and timelines. Beginning from the well-established concept of ‘domestic ownership’ of conditionalities as the key to successful engagement to completion, we defined this in terms of two dimensions. The first concerned the capacity for agenda-setting negotiation, as predicted primarily by the degree of ideational convergence or conflict across the party system about the aims of the loan programme. The second concerned implementation capacity, where organizational and competency-based attributes of the public administration system were crucial, along with its relative independence from political patronage and control.

Negotiations between national political and administrative actors and the Troika revealed variation in the scope for accommodating domestic pressures with respect to both agenda-setting and programme implementation (European Parliament 2013, p.14). Table 3 summarizes the analytical utility of defining the problematic concept of ‘domestic ownership’ with reference to agenda-setting capacity and implementation capacity. The case studies reveal that, in line with our theoretical expectations, Ireland’s relations with the Troika were the least problematic though still conflictual, Portugal’s more so, and Greece’s the most.

Table 3. Country experiences in light of expectations

	Performance on negotiating capacity Cross-party ideational alliances on programme legitimacy	Performance on implementation capacity Structure, functioning, and quality of public administration
Ireland	Low pre-crisis party polarization; adherence across governments to main terms of Troika conditionality 2010-11 and 2011-13 period Effective negotiations	Reorganization of central government and creation of new institutions to manage implementation of Troika conditionality Efficient implementation
Portugal	Pre-crisis left-right polarization; reluctant PS commitment to all-party loan; increased polarization 2011-14. Highly committed centre-right, in a context of high social conflict; intra-government turbulence Problematic negotiation stance, though achieved some changes to conditionality	Reorganization of central government and creation of new institutions to manage implementation of Troika conditionality Fairly efficient implementation, though some societal resistance to structural reform requirements, esp on labour market institutions
Greece	The crisis intensified cross-party divisions, in a rolling process of programme acceptance: PASOK in 2010, ND in 2012, Syriza in 2015, variable smaller party views. Fragmentation and reconstitution of the party system, and alternation of elected and non-elected governments, produced discontinuity. Medium-good negotiating capacity 2011-2015, achieving renegotiation of fiscal targets in light of good compliance; highly conflictual in 2015; all-party assent but lower government negotiating capacity 2015-18.	EU-led administrative capacity building was introduced to overcome technical difficulties, but integration was problematic. Disagreement over priorities between the Troika on one hand and EU Task Force and the Greek public administration on the other. Short time-scale for change and personnel cutbacks further complicated efforts at administrative upgrading. Cross-department and inter-agency coordination was problematic. Party-political networks increased resistance to structural reform implementation. Very good fiscal compliance record 2010-11, 2012-15, 2015-18, depending on party composition; more problematic structural adjustment implementation

Engagement along the two dimensions in question was not a static process: austerity itself had far-reaching consequences that were felt both economically and politically, feeding back into the nature of engagement with the loan programmes. Dealing with the Troika engendered new conflict structures and veto players, which strengthened social movements and mobilized new electoral alliances in opposition both to austerity and to 'old politics' (Hutter, Kriesi, and Vidal 2018).

One of the emergent features of the loan programmes, from the Troika perspective, was the relative weakness of its involvement in social dialogue, and the problems this posed for domestic political legitimacy and sustainability. Surveillance became more formalized with the introduction of Regulation (EU) No 472/2013 in May 2013, which accorded greater prominence to the obligation to consult formally with social interests and to have regard to institutions of wage formation (European Parliament 2013, p.14). However, enhanced obligation to consult came too late to be of much relevance in Ireland; it only affected the final phase of the programmes in Portugal; and it came late in Greece's experience. National social interests reported frequently that consultations were not substantive, that meetings between civil society organization, including trade unions, were perfunctory, and that the Troika representatives were unresponsive to the concerns that were presented to them.

In 2017 the European authorities, in a far-reaching evaluation of past programmes, recognized that the politics of domestic engagement and programme legitimation had been insufficiently attended to under the Troika. Paradoxically, government dissatisfaction with its engagement with the Troika was greatest in Ireland, perhaps precisely because of its high level of both political and administrative capacity in complying with programme conditionality (European Stability Mechanism 2017a, p.72). Prominent among the recommendations of the ESM report were the need to attend more carefully to the political credibility, domestic acceptability, and transparency of programmes; to ensure that programme design should have clear objectives and priorities; and to engage more fully and extensively with civil society representatives (European Stability Mechanism 2017a, pp.79-81).

This paper has shown that the concept of 'domestic ownership' continues to have considerable value in accounting for domestic implementation of loan programmes, and that clearer conceptualization and specification of relevant empirical indicators can give it real analytical traction. An additional implication of this analysis is that issues of political legitimation were also important for governments' capacity for technical compliance and implementation, and where these are over-ridden, the prospects for stable implementation and successful programme completion are likely to be more problematic.

Appendix – interviewees cited

Interviewees – Ireland

IR1 Senior Department of Finance official, 19 July 2017

IR2 Political adviser, 1 July 2014

IR3 Senior trade union movement official, 28 March 2017

IR4 Senior trade union leader, 9 January 2017

IR5 Labour Party government minister (2011-2016), 10 and 16 November 2016

Interviewees – Portugal

PT1 Former Senior Directorate General for Justice Policy official, 26 March 2019.

PT2 Senior Directorate General for Justice Policy official, 26 March 2019.

PT3 Senior Tax and Customs Authority official, 27 March 2019.

PT4 Senior Directorate General of Social Security Official, 27 March 2019.

Interviewees – Greece

GR1 Minister of Administrative Reform (1st MoU) 3 August 2018

GR2 Minister of Administrative Reform (2nd MoU), 3May 2018

GR3 Junior Minister of Administrative Reform (1st-2nd MoU), September2018

GR4 Athens-based official of the EU Task Force for Greece, 8 April 2017 and 18 September 2018

GR5 Brussels-based official of the EU Task Force for Greece, 13 July 2018

Acknowledgements

The authors wish to thank Carmel Hannan, Walter Kickert, Conor Little, Kevin Saude, Imre Szabo, Ben Tonra, Krishna Vadlamannati, Eva Wegner, Owen Worth, and three anonymous reviewers, for helpful comments. All shortcomings are of course our own.

Joaquim Filipe Araújo wishes to acknowledge his funding for this project from the Research Centre in Political Science (UID/CPO/0758/2019) at the University of Minho, supported by the Portuguese Foundation for Science and Technology and the Portuguese Ministry of Education and Science.

References

Accornero, Guya, and Peddro Ramos Pinto. 2015. "'Mild mannered?' Protest and mobilisation in Portugal under austerity, 2010-2013." *West European Politics* 38 (3):491-515. http://dx.doi.org/10.1080/01402382.2014.937587

Afonso, Alexandre, Sotirios Zartaloudis, and Yannis Papadopoulos. 2014. "How party linkages shape austerity politics: clientelism and fiscal adjustment in Greece and Portugal during the eurozone crisis." *Journal of European Public Policy* 22 (3):315-34. 10.1080/13501763.2014.964644

Altiparmakis, Argyrios, and Jasmine Lorenzini. 2018. "Disclaiming national representatives." *Party Politics* 24 (1):78-89. 10.1177/1354068817740743

Andreadis, Ioannis, and Yannis Stavrakakis. 2019. "Dynamics of Polarization in the Greek Case." *The ANNALS of the American Academy of Political and Social Science* 681 (1):157-72. 10.1177/0002716218817723

Bennett, Andrew, and Colin Elman. 2006. "Recent Developments in Case Study Methods." *Annual Review of Political Science* 9:455-76.

Bertelsmann Stiftung. 2018 Sustainable Governance Indicators: Executive Capacity. http://www.sgi-network.org/2018/

Bird, Graham. 1998. "The effectiveness of conditionality and the political economy of policy reform: is it simply a matter of political will?" *The Journal of Policy Reform* 2 (1):89-113. 10.1080/13841289808523375

Boughton, James M., and Alex Mourmouras. 2002 Is Policy Ownership an Operational Concept? . Washington DC, IMF, IMF Working Paper WP/02/72. https://www.imf.org/external/pubs/ft/wp/2002/wp0272.pdf

Buiter, Willem H. 2007. "'Country Ownership': A Term Whose Time Has Gone." *Development in Practice* 17 (4/5):647-52. https://www.jstor.org/stable/25548264

Central Bank of Ireland. 2013 European Parliament's Own Initiative Report on the Troika Questionnaire sent to MS under a Financial Assistance Programme. Brussels, European Parliament, December 2013. http://www.europarl.europa.eu/document/activities/cont/201401/20140114ATT77329/20140114ATT77329EN.pdf

Costello, Rory. 2017. "The ideological space in Irish politics: comparing voters and parties." *Irish Political Studies*:1-28. http://dx.doi.org/10.1080/07907184.2017.1328408

Dalton, Russell J. 2008. "The Quantity and the Quality of Party Systems:Party System Polarization, Its Measurement, and Its Consequences." *Comparative Political Studies* 41 (7):899-920. 10.1177/0010414008315860

Dellepiane-Avellaneda, Sebastian, and Niamh Hardiman. 2015. "Fiscal Politics In Time: Pathways to Fiscal Consolidation in Ireland, Greece, Britain, and Spain, 1980-2012." *European Political Science Review* 7 (2):189-219. https://doi.org/10.1017/S1755773914000186

Department of Finance. 2010 National Recovery Plan 2011-2014. Dublin, Government Publications Office.

http://www.budget.gov.ie/The%20National%20Recovery%20Plan%202011-2014.pdf

Donovan, Donal. 2016 The IMF's role in Ireland. Washington DC, IMF, Independent Evaluation Office of the IMF Background Paper, BP/16-02/04. http://www.ieo-imf.org/ieo/files/completedevaluations/EAC__BP_16-02_04__The_IMF_s_Role_in_Ireland%20v5.PDF

European Parliament. 2013 Questionnaire supporting the own initiative report evaluating the structure, the role and operations of the 'troika' (Commission, ECB and the IMF) actions in euro area programme countries. Brussels, European Parliament. http://www.europarl.europa.eu/document/activities/cont/201401/20140114ATT77315/20140114ATT77315EN.pdf

European Stability Mechanism. 2017a EFSF/ESM Financial Assistance Evaluation Report. Brussels, ESM. https://www.esm.europa.eu/sites/default/files/ti_pubpdf_dw0616055enn_pdfweb_20170607111409.pdf

———. 2017b Evaluation of EFSF and ESM financial assistance: Technical Appendices. Brussels, ESM, 15 June 2017. https://www.esm.europa.eu/sites/default/files/dw0616055enn_appendix.pdf

Eurostat. 2018a. "Eurostat: Your key to European statistics." In. Brussels: European Commission. https://ec.europa.eu/eurostat/data/database

———. 2018b. "Poverty and social exclusion in your country." In *Eurostat News*. Brussels: European Commission. https://ec.europa.eu/eurostat/en/web/products-eurostat-news/-/WDN-20180402-1

Featherstone, Kevin, and Dimitris Papadimitriou. 2013. "The Emperor Has No Clothes! Power and Resources within the Greek Core Executive." *Governance* 26 (3):523-45. 10.1111/j.1468-0491.2012.01610.x

General Confederation of Greek Workers - GSEE. 2012. "Statement by GSEE President Yiannis Panagopoulos after the GSEE meeting with the Troika." In *GSEE*. https://gsee.gr/?p=641

George, A.L., and A. Bennett. 2005. *Case Studies and Theory Development in the Social Sciences*. Cambridge, MA: MIT Press.

Gerring, John. 2007. *Case Study Research: Principles and Practices*. Cambridge: Cambridge University Press.

Goertz, Gary, and James Mahoney. 2012. *A Tale of Two Cultures: Qualitative and Quantitative Research in the Social Sciences*. Princeton, NJ: Princeton University Press.

Hallerberg, Mark, Rolf Strauch, and Jürgen von Hagen. 2007. "The Design of Fiscal Rules and Forms of Governance in European Union Countries." *European Journal of Political Economy* 23 (2):338-59. https://doi.org/10.1016/j.ejpoleco.2006.11.005

Hand, Lise. 2014. "The week Ireland gave up its sovereignty", Irish Independent, 1 December 2014. https://www.independent.ie/lifestyle/the-week-ireland-gave-up-its-sovereignty-29796376.html

Hardiman, Niamh, and Aidan Regan. 2013. "The politics of austerity in Ireland." *Intereconomics - special issues on Austerity Measures in Crisis Countries* 48 (1):9-14. http://www.intereconomics.eu/archive/author/niamh-hardiman/

Head, Brian W. 2016. "Toward More "Evidence-Informed" Policy Making?" *Public Administration Review* 76 (3):472-84. 10.1111/puar.12475

Hernández, Enrico, and Hanspeter Kriesi. 2016. "The electoral consequences of the financial and economic crisis in Europe." *European Journal of Political Research* 55 (2):203-24. doi:10.1111/1475-6765.12122

Hill, Michael, and Frédéric Varone. 2017. *The Public Policy Process*. 7th ed. Abingdon: Routledge.

Hobolt, Sara B., and James Tilley. 2016. "Fleeing the centre: the rise of challenger parties in the aftermath of the euro crisis." *West European Politics* 39 (5):971-91. 10.1080/01402382.2016.1181871

Hupe, Peter L, and Michael J Hill. 2016. "'And the rest is implementation.' Comparing approaches to what happens in policy processes beyond Great Expectations." *Public Policy and Administration* 31 (2):103-21. 10.1177/0952076715598828

Hutter, Swen, Hanspeter Kriesi, and Guillem Vidal. 2018. "Old versus new politics:The political spaces in Southern Europe in times of crises." *Party Politics* 24 (1):10-22. 10.1177/1354068817694503

IMF. 2010a Country Report - Ireland. Washington DC, IMF, Country Report No. 10/366.

———. 2010b Greece: Staff Report on Request for Stand-By Arrangement. Washington DC, IMF, IMF Country Report No. 10/110.

———. 2010c Portugal: Staff Report. Washington DC, IMF, IMF Country Report No. 10/18.

———. 2011a Greece - Fifth Review. Washington DC, IMF, IMF Country Report No. 11/351: Greece: Fifth Review Under the Stand-By Arrangement, Rephasing and Request for Waivers of Nonobservance of Performance Criteria; Press Release on the Executive Board Discussion; and Statement by the Executive Director for Greece.

———. 2011b Portugal: First Review. Washington DC, IMF, IMF Country Report No. 11/279.

———. 2012a Ireland: 2012 Article IV and Seventh Review. Washington DC, IMF, IMF Country Report No. 12/264. http://www.imf.org/external/pubs/ft/scr/2012/cr12264.pdf

———. 2012b Ireland: 2012 Article IV and Seventh Review. Washington DC, IMF, Ireland: Staff Report, Informational Annex, Staff Supplement, and Public Information Notice.

———. 2012c Portugal: Third Review. Washington DC, IMF.

———. 2013 Portugal: Seventh Review. Washington DC, IMF, IMF Country Report No. 13/160. June 2013. https://www.imf.org/external/pubs/ft/scr/2013/cr13160.pdf

———. 2014a Country Report - Greece. Washington DC, IMF, No. 14/151.

———. 2014b Greece - Fifth Review under the Extended Arrangement. Washington DC, IMF, IMF Country Report No. 14/151. June 2014. https://www.imf.org/external/pubs/ft/scr/2014/cr14151.pdf

———. 2017 Greece 2016. Article IV Consultation. Washington DC, IMF, Country Report No. 17/40. https://www.imf.org/en/Publications/CR/Issues/2017/02/07/Greece-2017-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-44630

IMF Independent Evaluation Office. 2016 The IMF and the crises in Greece, Ireland, and Portugal: an evaluation by the Independent Evaluation Office. Washington DC, IMF, 8 July 2016. http://www.ieo-imf.org/ieo/files/completedevaluations/EAC__REPORT%20v5.PDF

Jenkins-Smith, Hank C., and Paul A. Sabatier. 1993. "The Study of Public Policy Processes." In *Policy Change and Learning: An Advocacy Coalition Approach*, edited by Hank C. Jenkins-Smith and Paul A. Sabatier. Oxford & Boulder, CO: Westview.

Kickert, Walter, and Tiina Randma-Liiv. 2015. *Europe Managing the Crisis: The Politics of Fiscal Consolidation*. Abingdon: Routledge.

Koulovatianos, Christos, and Loukas Tsoukalis. 2015 Why debt sustains corruption in Greece and vice versa. London, Vox. http://www.voxeu.org/article/why-debt-sustains-corruption-greece-and-vice-versa

Ladi, Stella. 2014. "Austerity politics and administrative reform: The Eurozone crisis and its impact upon Greek public administration." *Comparative European Politics* 12 (2):184-208. http://dx.doi.org.ucd.idm.oclc.org/10.1057/cep.2012.46

Little, Conor. 2011. "The General Election of 2011 in the Republic of Ireland: All Changed Utterly?" *West European Politics* 34 (6):1304-13. http://dx.doi.org/10.1080/01402382.2011.616669

MacCarthaigh, Muiris. 2017. *Public Sector Reform in Ireland: Countering Crisis*. Basingstoke: Palgrave.

Mainwaring, B. E. N., and Sean McGraw. 2019. "How catchall parties compete ideologically: Beyond party typologies." *European Journal of Political Research* 58 (2):676-96. 10.1111/1475-6765.12307

Mastenbroek, Ellen, and Dorte Sindbjerg Martinsen. 2017. "Filling the gap in the European administrative space: the role of administrative networks in EU implementation and enforcement." *Journal of European Public Policy*:1-14. 10.1080/13501763.2017.1298147

Mauro, Paolo. 2011. "Chipping Away at Public Debt: Sources of Failure and Keys to Success in Fiscal Adjustment." In. Hoboken, NJ: Wiley.

Morris, Chris. 2015. "Greece debt talks: EU chief feels 'betrayed'." In *BBC News*. https://www.bbc.com/news/world-europe-33311240

Moury, Catherine, and André Freire. 2013. "Austerity policies and politics: the case of Portugal." *Pole Sud - Revue de Science Politique* 39 (2):35-56. http://www.cairn.info/revue-pole-sud-2013-2-page-35.htm

Moury, Catherine, and Adam Standring. 2017 How Portugal's leaders exploited the bailout to pass measures they already supported. London, LSE, LSE EUROPP, 23 May 2017. http://blogs.lse.ac.uk/europpblog/2017/05/23/portugal-leaders-exploited-bailout-to-pass-measures-they-already-supported/

Mulas-Granados, Carlos. 2004. "Voting against Spending Cuts:The Electoral Costs of Fiscal Adjustments in Europe." *European Union Politics* 5 (4):467-93. 10.1177/1465116504047313

Naughton, Mary. 2015. "An interrogation of the character of protest in Ireland since the bailout." *Interface: a journal for and about social movements* 7 (1):289-308. http://www.interfacejournal.net/wordpress/wp-content/uploads/2015/06/Issue-7-1-Naughton.pdf

OECD. 2012 Economic Outlook. Paris, OECD. https://www.oecd-ilibrary.org/economics/oecd-economic-outlook-volume-2012-issue-2_eco_outlook-v2012-2-en

———. 2015 Economic Policy Reforms 2015: Going for Growth. Paris, OECD, 9 February 2015. http://dx.doi.org/10.1787/growth-2015-en

———. 2018. "Government at a Glance: Government at a Glance (Edition 2017)." In. https://www.oecd-ilibrary.org/content/data/20c45bf2-en

Ongaro, Edoardo. 2009. *Public Management Reform and Modernization: Trajectories of Administrative Change in Italy, France, Greece, Portugal and Spain*. Cheltenham: Edward Elgar.

Papaconstantinou, George. 2016. *Game Over: The Inside Story of the Greek Crisis*. Athens: CreateSpace Independent Publishing Platform.

Papadimitriou, Dimitris, Adonis Pegasiou, and Sotirios Zartaloudis. 2018. "European elites and the narrative of the Greek crisis: A discursive institutionalist analysis." *European Journal of Political Research* 0 (0). doi:10.1111/1475-6765.12287

Peters, B Guy. 2014. "Implementation structures as institutions." *Public Policy and Administration* 29 (2):131-44. 10.1177/0952076713517733

Pisani-Ferry, Jean, Andre Sapir, and Guntram B. Wolff. 2013 Financial Assistance in the Euro Area: An Early Evaluation. Brussels, Bruegel. http://bruegel.org/wp-content/uploads/imported/publications/1869_Blueprint_XIX_-_web__.pdf

Pollitt, Christopher, and Geert Bouckaert. 2017. *Public Management Reform: A Comparative Analysis - Into The Age of Austerity*. 4th ed. Oxford: OUP.

Público. 2011. "Entrevista à Reuters: Passos Coelho diz que Governo pode ir além das medidas da troika", Público, 6 June 2011. https://www.publico.pt/economia/noticia/passos-coelho-diz-que-governo-pode-ir-alem-das-medidas-da-troika-1497781

Quinlan, Stephen, and Martin Okolikj. 2017. "The decline of a dominant political monolith: understanding Fianna Fail's vote 1987-2016." *Irish Political Studies* 32 (1):164-90. http://dx.doi.org/10.1080/07907184.2016.1272585

Ramos Larraburu, Conrado Ricardo, Francisco Panizza, and Guy B Peters. 2018. "Roles, Trust and Skills: A Typology of Patronage Appointments." *Public Administration*. doi:10.1111/padm.12560

Regan, Aidan. 2013 The impact of the eurozone crisis on Irish social partnership: a political economy analysis. Geneva, International Labour Organization, 13 April http://www.ilo.org/ifpdial/information-resources/publications/WCMS_213211/lang--en/index.htm?shared_from=shr-tls

Rori, Lamprini. 2016. "The 2015 Greek parliamentary elections: from great expectations to no expectations." *West European Politics* 39 (6):1323-43. https://doi.org/10.1080/01402382.2016.1171577

Schimmelfennig, Frank, and Ulrich Sedelmeier. 2004. "Governance by Conditionality: EU Rule Transfer to the Candidate Countries of Central and Eastern Europe." *Journal of Common Market Studies* 11:661-79. https://doi.org/10.1080/1350176042000248089

Seawright, Jason, and John Gerring. 2008. "Case Selection Techniques in Case Study Research: A Menu of Qualitative and Quantitative Options." *Political Research Quarterly* 61 (2):294-308. DOI: 10.1177/1065912907313077

Somer, Murat, and Jennifer McCoy. 2019. "Transformations through Polarizations and Global Threats to Democracy." *The ANNALS of the American Academy of Political and Social Science* 681 (1):8-22. 10.1177/0002716218818058

Spanou, Calliope. 2016 Policy conditionality, structural adjustment and the domestic policy system: conceptual framework and research agenda. Florence, Robert Schuman Centre for Advanced Studies, EUI Working Paper RSCAS 2016/60. http://cadmus.eui.eu/bitstream/handle/1814/44085/RSCAS_2016_60.pdf?sequence=3

———. 2018. "External influence on structural reform: Did policy conditionality strengthen reform capacity in Greece?" *Public Policy and Administration*. https://doi.org/10.1177/0952076718772008

Teorell, Jan. 2009. "The Impact of Quality of Government as Impartiality: Theory and Evidence." *SSRN eLibrary*.

Terzi, Alessio. 2015 Reform momentum and its impact on Greek growth. Brussels, Bruegel, Bruegel Policy Contribution Issue 2015/12, July 2015. July. http://bruegel.org/wp-content/uploads/2015/07/pc_2015_12-.pdf

Transparency International. "Corruption Perceptions Index 2018." Transparency International. https://www.transparency.org/cpi2018.

Vasilopoulou, Sofia, and Daphne Halikiopoulou. 2013. "In the Shadow of Grexit: The Greek Election of 17 June 2012." *South European Society and Politics* 18 (4):523-42. 10.1080/13608746.2013.779784

Whelan, Karl. 2014. "Ireland's Economic Crisis: the Good, the Bad, and the Ugly." *Journal of Macroeconomics* 39 (B):424-40. https://doi.org/10.1177/0952076718772008

Zahariadis, Nikolaos. 2017. "Bargaining power and negotiation strategy: examining the Greek bailouts, 2010-2015." *Journal of European Public Policy* 24 (5):675-94. https://doi.org/10.1080/13501763.2016.1154977

Notes

[1] The EU devised two emergency time-limited temporary assistance mechanisms in response to the crises in Greece, Ireland, and Portugal: the European Financial Stability Facility (EFSF) and the European Financial Stabilization Mechanism (EFSM). The EU's Greek Loan Facility of May 2010 was a special bilateral loans arrangement, pooled by the Commission and supported by an IMF Stand-By Arrangement. The Council's consent was conditional upon Greece's commitment to deficit reduction (Decision 2010/320/EU and Decision 2013/6/EU). In the case of Ireland and Portugal, EFSM was provided for by Regulation N° 407/2010 and decisions of the Council. After September 2012 these arrangements were replaced by the permanent European Stability Mechanism (ESM) to deal with any new bailout requirements. Like the temporary programmes, the ESM was a joint EU-IMF structure. But the pre-existing loan programmes to Greece (except the third), Ireland, and Portugal continued to be dealt with under the terms of the EFSF and EFSM: this makes them distinctive. The assistance to Spain's government to support restructuring of the banking sector in December 2012 and February 2013 and the 'bail-in' as a partial solution to the financial crisis in Cyprus (2013-2016) were both managed under the permanent ESM scheme; so too was the third Greek loan programme of 2015.

[2] 'Certain elements of the financial part of the Programme were presented as non-negotiable by the Troika... These included the higher-than-standard capital ratio required for the banks, a programme of rapid deleveraging of the banks… and the early transfer of deposits out of the failed banks. Given the absence of a risk-sharing element for the banking part of the Programme, parts of these initiatives required very careful implementation (fortunately successful) to avoid becoming counterproductive' (Central Bank of Ireland 2013).