**Supplemental Material for the Review of International Studies Article**

**“Beat the Elite or Concede Defeat? Populist Problem (Re-)Representations of International Financial Disputes”**

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# S1: Empirical Source Material

Empirical observations were collected from

* Scholarly case studies
* Think tank analyses
* English and Spanish language press coverage
* Daily summaries of Hungarian news outlets (plus first-hand information) published by Eva Balogh’s Hungarian Spectrum (https://hungarianspectrum.org/)
* Leaked diplomatic cables from US Embassies around the globe (https://wikileaks.org/; only available until early-2010).

The collection and interpretation of observations was guided by a template of the two intervening variables (early/later ‘elite’ pushback; open/closed advisory systems) and the three problem representation components (goal, constraint, category).

# S2: Observations of Open/Closed Advisory Systems at the Time of ‘Elite Pushback’

## Viktor Orbán: Closed System; Time of Pushback: 2011-12

* Since coming to power in 2010, Orbán worked hard to sideline the technocratic central bank governor András Simor (Balogh 2011b; Janke 2014, 285; Johnson and Barnes 2015, 547-49).
* Orbán excluded bureaucratic officials from the Ministry of Foreign Affairs (MFA), who had been previously in charge of foreign economic policy (Sadecki 2014, 15). “After Viktor Orbán returned to power in 2010, he wasted no time planting party loyalists to positions previously occupied by nonpartisan bureaucrats…In the ontological struggle for sovereignty, there was no place for ‘experts’ like the diplomatic old guard—it required politically loyal lieutenants committed to serving the people and their leader” (Visnovitz and Jenne 2021, 689, 692). Along these lines, Peter Szijjártó, Orbán’s personal spokesperson in the Prime Minister’s Office, “built up an independent international economic and trade affairs portfolio outside the reach of the MFA” (Visnovitz and Jenne 2021, 690).
* “We differentiate…between a narrower and a broader circle around Orbán. The members of the narrower circle of his confidantes, a group of a few dozen people, have personal relationships with and access to Orbán. Each of them has an influential formal or informal position in a specific field or sector of politics, economy, or society - although the source of their influence is mostly, if not entirely, their close or confidential relationship with Orbán.…György Matolcsy, for example, independently from his actual cabinet post (as minister for economic affairs from 2010) or other positions (president of the National Bank from 2013), has been responsible for the strategy of economic policy for two decades….The broader circle of Orbán’s personal party encompasses a wider network. Although there are admirers and politically engaged cadres, loyalty in his personal party is also based on private interests. Members of this network usually receive positions or a share of public resources, in exchange for accomplishment of some assigned tasks and loyalty” (Körösényi, Illés, and Gyulai 2020, 97-98).
* Every few months, “Viktor Orbán and his right hand, György Matolcsy, minister of economy, consulted with eleven government-friendly economists…[For instance,] at the beginning of September the…eleven trusted economists and financial experts met with the prime minister flanked by Matolcsy and the ever-present Péter Szijjártó [Orbán’s personal spokesman]…One can question the use of a meeting where only those people are invited whose criticism, if they had any, is gift wrapped. After all, most of these people are either Orbán appointees in the current administration or served in the first Orbán government….In addition there were four economists who…are all close to the present government. There are a couple of economists who should have been invited, but lately they have been critical of the Orbán-Matolcsy economic policy…And certainly no one was invited from the ‘liberal camp.’ Thus, it is clear that Orbán doesn’t really want to hear anything that is not exactly music to his ears” (Balogh 2011a).
* “Achieving fiscal autonomy is…a legitimate goal worthy of support. Yet it does not absolve the government from consistently applying reality checks on its policies, and this it has failed to do. Even as it became obvious that its fiscal and economic measures have left the budget in a state of constant uncertainty and were at the same time incapable of stimulating the economy, Matolcsy stood steadfast by his ‘unorthodox’ policies while Orbán stood steadfast by Matolcsy” (Policy Solutions 2011).
* Orbán “is the final arbiter in all matters, including the economy. It is hard to know on whom Orbán relies besides György Matolcsy because most of the economic advisers to Fidesz over the past ten years or so reject the policies of György Matolcsy as economic madness. They have either disappeared completely-like Zsigmond Járai, former central bank chairman, appointed to the post during the first Orbán administration, or have actually joined the ranks of those economists who voice their opposition to the ‘unorthodox policies’ of György Matolcsy…Orbán might still talk to László Csaba, a professor of economics…who thinks that Hungary might not need the [IMF] loan at all” (Balogh 2012). In Csaba’s own words, Orbán never created “a joint economic chief of staff”, but rather trusted in “a narrow circle of close advisors” (Csaba 2013, 169).

## Cristina Kirchner: Open System; Time of Pushback: 2014

* Kirchner based her rule on highly centralized and informal decision-making, but (as usual in Argentine governments) appointed relatively heterogeneous cabinets with party loyalists and a relevant faction (roughly a third) of more technical professionals (Ollier and Palumbo 2016, 60-61, 69-71, 75). This general pattern applies also to (foreign) economic policy, where Kirchner alternated between appointing “heterodox” and “mainstream” top advisers (Kaplan 2018, 32).
* Kirchner’s issue-specific advisory system during the first six years of her presidency (2007-2013) featured a range of technically oriented aides who recurrently explored pragmatic steps towards resolving the holdout conflict. Highly centralized and informal staff organization makes it unclear to what extent these cooperative perspectives were consistently presented to Kirchner. But when strategic decisions had to be made, such as in mid-2008 (when the global financial crisis erupted), or in late-2012 (when Argentina had to appeal the initial adverse ruling sentenced by the District Court of New York), pluralistic top-level deliberations with combative and moderate factions took place (Wikileaks 2008, 2009b, 2009c, 2009d; Laudonia 2013, 152-154, 283-284, 331-333; Burgueño 2014, 172-176, 211-212; Kanenguiser 2014, 110-17).
* For instance, in November 2012, “the Executive was divided...into two well-differentiated sides. One, more radicalized, was formed, among others, by the Legal and Technical Secretary Carlos Zannini, the Vice Minister of Economy Axel Kicillof, and the Secretary of Domestic Commerce Guillermo Moreno. The second, headed by the Minister of Economy Hernán Lorenzino, his Secretary of Finance Adrián Cosentino, the Minister of Foreign Affairs Héctor Timerman, and the then Argentine ambassador to the United States Jorge Argüello defended the alternative of reopening the debt swap. The former spoke of the need to maintain principled firmness to the last consequences and not to stop the discursive attacks against the vulture funds and, if necessary, also against the American judiciary...Lorenzino, Timerman, Cosentino and Argüello, all in constant communication with the New York law firm, insisted that there was nothing wrong with reopening the debt swap in a third call...‘There is nothing wrong with negotiating,’ they recommended to the head of state” (Burgueño 2014, 173-174, own translation). In these days, “the president listened to opinions ranging from most conservative to most daring” (Laudonia 2013, 332-333, own translation). Ultimately, Zannini switched sides and aligned himself more with the pragmatists (Burgueño 2014, 176).
* In November 2013, Kirchner announced a cabinet reshuffle that put (foreign) economic affairs in the hands of a heterogeneous circle: While the new Economy Minister Axel Kicillof had the image of a dogmatic ideologue, the freshly appointed Central Bank governor Juan Carlos Fábrega and the Chief of Cabinet Jorge Capitanich stood for professional experience and pragmatic relations with business sectors (Olivera 2013; Verón 2013; Fraga 2014; Straccia 2016).
* When the late ‘elite’ pushback hit in mid-2014, Kirchner’s “kitchen cabinet consisted mainly of two ‘battle-tried politicians’: the young Economy Minister Axel Kicillof ranked first, followed by the presidential legal adviser Carlos Zannini. Besides, ‘the most pragmatic ones’ were…the Chief of Cabinet Jorge Capitanich and Central Bank President Juan Carlos Fábrega” (Fouquet 2023, 12; see also Cabot and Olivera 2015, 175-80).

## Recep Tayyip Erdoğan: Closed System; Time of Pushback: 2018-23

* “As the AKP consolidated its grip on power, including winning a third term in June 2011, Erdoğan grew in confidence, becoming more ideologically assertive and repressive. He also became more autocratic, gradually shedding the allies he had cultivated during his first years in office and becoming increasingly enveloped in the personality cult that has been inflated around him [and resulted in] Erdoğan’s increasing domination of economic policymaking” (Jenkins 2018).
* “Within the last decade, Erdogan consolidated power with a political platform built on unorthodox economic policies. Investors used to view the president’s bizarre beliefs—interest rates leading to higher inflation or an “interest-rate lobby” led by Jews aiming to tank Turkey’s economy—as embarrassing and annoying. Those days are long gone. After the Central Bank lost its last semblance of independence in 2019, those beliefs have become mainstream. To a large extent, they now dictate Turkey’s monetary policy [and] those efforts were mounted by his underqualified son-in-law, Finance and Treasury Minister Berat Albayrak” (Erdemir and Lechner 2020).
* “A parade of Central Bank governors have been fired, along with other bank policymakers who counseled fiscal prudence. Government ministers who once challenged dubious economic strategies are gone, replaced by others who seem to ask few questions and simply say yes. As President Recep Tayyip Erdogan faces Turkey’s worst economic crisis in almost two decades, he has few independent-minded experts at his side — a consequence of his efforts to centralize power, which have sidelined or hollowed out financial institutions to which he once deferred, economists say.… For those who have watched Turkey’s development over years, including from inside the halls of power, the government’s current approach is a startling contrast with that of Erdogan’s early tenure, when he and members of his party largely deferred to technocrats carrying out reforms aimed at repairing an economy in ruin...Seasoned economists said they were in the dark about whom the president asks for advice and where the economy is headed. Three Central Bank governors were fired in a span of two years, along with other bank officials who were said to have opposed Erdogan’s interest-rate cuts…Turkey also has had four finance and treasury ministers since 2018, including Erdogan’s son-in-law. The latest, Nureddin Nebati, appointed in December, is considered a loyalist of the president and has become known for a string of eyebrow-raising statements, including a claim during a TV interview that the U.S. Federal Reserve is run by five families” (Fahim 2022).
* “Mr Erdogan has never put forth a serious economic theory to support his belief that high interest rates cause inflation, possibly because one does not exist…Nearly all the president’s economic advisers are leftists and nationalists, says another economist. ‘They love the idea of being in control,’ he says. ‘Bang your fist on the table, make the decision, and the market will go with us. This is economic illiteracy’” (The Economist 2023).
* Erdoğan has closed both economic and foreign policy decision-making groups to “a circle of formal and informal advisors selected on the ground of personal loyalty” (Taş 2022, 570; similar Chryssogelos et al. 2023, 20).

# S3: Exemplary Sources for the Open/Closed Advisory Systems of Other Leaders

* **Hugo Chávez**: Early transition from open to closed system (Weyland 2002, 244-47; Wikileaks 2007a; Hawkins 2010, 19; Destradi and Plagemann 2019, 726)
* **Robert Fico**: Open system (Wikileaks 2006; Gould 2009, 13-14; Pechova 2012, 792-94; Gál and Malová 2022, 172-173)
* **Rafael Correa**: Open system (Wikileaks 2007b, 2009a; de la Torre 2013, 38-39; Schade 2016, 79-80)
* **Alexis Tsipras**: Open system (Kyriakidou 2015; Blustein 2016, 418-22; Tsebelis 2016; Aslanidis 2021)
* **Lega-M5S Coalition**: Open system (Nelli Feroci 2019, 3-4; Coticchia 2021; Di Quirico 2021, 73-74; Giurlando 2021)
* **Imran Khan**: Open system (Kugelman 2019; Zaidi 2019; Arab News 2020)

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