

**Table 12. Political independence of central banks**

Countries	Appointments				Relationship with government		Constitution		Index of political independence
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Australia		*					*	*	3
Austria						*	*	*	3
Belgium				*					1
Canada	*	*					*	*	4
Denmark		*				*	*		3
France		*		*					2
Germany		*		*	*	*	*	*	6
Greece			*					*	2
Ireland		*				*	*		3
Italy	*	*	*		*				4
Japan							*		1
Netherlands		*		*	*	*	*	*	6
New Zealand									0
Portugal					*				1
Spain				*	*				2
Switzerland		*			*	*	*	*	5
UK					*	*	*	*	1
US				*	*	*	*	*	5

*Sources:* See Appendix C.

*Notes:* (1) Governor *not* appointed by government; (2) Governor appointed for >5 years; (3) *All* the Board *not* appointed by government; (4) Board appointed for >5 years; (5) No mandatory participation of government representative in the Board; (6) No government approval of monetary policy formulation is required; (7) Statutory requirements that central bank pursues monetary stability amongst its goals; (8) Legal provisions that strengthen the central bank's position in conflicts with the government are present; (9) Overall index of political independence, constructed as the sum of the asterisks in each row. See Appendix C for more details.