

Today, transgovernmental networks (TGNs) are fundamental pillars of global governance. A consequence of the global financial crisis was a demand for new economic policy tools to monitor and regulate the financial system, and prevent the emergence of future crises. Financial TGNs comprise the backbone of this new global financial macroprudential regime. This paper provides a theory-guided, systematic empirical analysis of democratic governance these TGNs, to enquire into whether they institute modes of democratic governance in order to legitimise themselves. We enquire into whether financial TGNs are, as to be expected given history of independent central banking, mere technocratic bodies insulated from democratic state-level institutions, or whether their own institutional set-up embraces features of democratic governance. Building on prior research that introduced a novel conceptualization of democratic governance capturing input, throughput and output sources of legitimacy derived from three democratic traditions (liberal, republican, deliberative), this differentiated measurement is used to investigate the variation in democratic governance across the entire macroprudential regime, comprised of financial TGNs characterised by varying authority and member composition. Our findings suggest that financial TGNs show more democratic governance if equipped with competencies for pooled authoritative policy-making. The study highlights that financial TGN seek to legitimise the acquisition of (state) competences by instituting more aspects of input legitimacy than would be expected from the walled gardens of financial regulation.