

**DESIGNING CABINETS:  
PRESIDENTIAL POLITICS AND CABINET INSTABILITY  
IN LATIN AMERICA**

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## **ABSTRACT**

This paper proposes and tests a theory about the strategic use of cabinet appointments by executives in presidential systems. The theory argues that cabinet turnover plays a crucial role in bargaining between the legislature and the executive over policy. In the context of fixed terms, the power to change the cabinet allows presidents to face unexpected shocks and use cabinet rotation to adjust their governments to new political and policy environments. This resource is even more important when presidents' formal authority is weaker and when their political support and popularity decrease. I use data on cabinet changes in twelve Latin American countries between 1982 and 2003 to test the main arguments of the theory.

## **RESUMEN**

Este artículo propone y somete a prueba una teoría acerca del uso estratégico de las designaciones en los gabinetes en los sistemas presidenciales. La teoría sostiene que la rotación en el gabinete juega un rol crucial en la negociación de las políticas entre el ejecutivo y la legislatura. En un contexto de mandatos temporalmente limitados, el poder de cambiar el gabinete permite a los presidentes enfrentar shocks no esperados y usar la rotación ministerial para ajustar sus gobiernos a cambios en el ambiente político. Este recurso es aún más importante cuando la autoridad formal de los presidentes es más débil y cuando el apoyo político y la popularidad presidencial disminuyen. Para poner a prueba los argumentos de la teoría utilizo datos sobre cambios de gabinete en 12 países latinoamericanos entre 1982 y 2003.



Few issues in comparative politics have been as widely debated as the relative merits of presidential and parliamentary systems. At its starkest, the debate pits scholars who argue that the decisiveness and stability of presidentialism gives these systems tools to face potential crises against scholars who argue that the flexibility and inclusiveness of parliamentary systems protects them from regime failure. Throughout the years, this research agenda has provided many important insights, especially about the link between constitutional differences and democratic survival. More recent work, however, suggests that much of the variation in democratic survival across countries takes place within, rather than between, different regimes and is the result of the political strategies devised by executives to overcome institutional and environmental challenges (Amorim Neto 2006; Martinez-Gallardo 2005; Negretto 2003; Cheibub 2002).

One such political strategy is the use of appointment powers by executives. Appointment powers are central to the main mechanisms that the regime stability literature turns on; democratic survival depends not only on structural features of the regime but also on the relative capacity of chief executives to use appointments to build a government that balances the competing goals of interest representation and governability, to use cabinet changes as “safety valves” in the face of impending crises (Mainwaring and Shugart 1997: 38), and to use appointments to secure cooperative relationships with the legislature in order to avoid conflict and potential deadlock (Stepan and Skach 1993).

Beyond issues of regime stability, different appointment strategies also affect patterns of ministerial turnover, which are important in building the capacities and the intragovernmental relationships necessary for effective policy making (Huber and Martinez-Gallardo 2008; Indridason and Kam 2008; Huber 1998; Chang, Lewis, and McCarty 2001; Blondel 1985). The parliamentary literature has long recognized that cabinet politics are central to policy making, and so the dynamics of cabinet formation and termination have been widely studied in that context.<sup>1</sup> However, our understanding of government formation and change in presidential systems, and of their effect on policy making, remains limited. In particular, we know relatively little about what drives different presidential appointment strategies. It is this question that I address in this paper.

I propose and test arguments about the strategic use of cabinet appointments by presidents. I show that the authority to name and change members of the cabinet is central to presidential politics. First, as in parliamentarism, appointments allow presidents to form a government that balances the need for political support and the need for policy expertise. The terms of the political bargain that is struck depend on the expectations of political actors regarding future negotiations over policy, and these, in turn, will be based on their relative political and institutional strength.

Second, appointments are essential in providing the government flexibility in dealing with a changing political environment throughout their term. In Diermeier and Merlo's (2000) model of parliamentary government, exogenous changes make it necessary for the executive to shuffle the cabinet in order to preserve the government. In a similar way, I argue that unexpected shocks change the terms of the political bargain struck at the beginning of a term and make it necessary for presidents to reshuffle in order to adjust their political coalition or their cabinet's level of policy expertise. Appointments are an explicit political strategy that allows presidents to effect policy change directly by changing the individuals in charge of its design and implementation or, more indirectly, by giving them a resource they can use in their negotiations with other actors over policy.

However, not all presidents can or will use appointment strategies to respond to changes in the electoral or policy environment. The third claim of the theory, thus, is that presidents will use appointments more when the political context—in particular the extent of ideological conflict and their popularity—combines with structural features—mainly their legislative support and their constitutional authority—to make the use of other means of policy change expensive. In other words, appointment strategies will be more attractive to presidents who are otherwise weak. Looking at the intersection of structural powers and politics adds an important element that has been mostly absent from the literature on presidential politics, which has tended to focus on structure and downplay the importance of politics.

I proceed as follows. The next section develops a set of arguments about why and when presidents will favor the use of appointment strategies. In the third section I present a new comprehensive dataset on cabinet changes in 12 Latin American countries over 20 years. The dataset constructed for this paper allows me to use hazard models to analyze

patterns of ministerial stability for over 1,500 individual ministers. The fourth section lays out the modeling strategy I use to test the main claims of the theory. The fifth section presents the results of the empirical analysis. I close with a summary of the findings and a discussion of the broader implications of this paper.

## **A THEORY OF CABINET STABILITY**

### **Incentives to Change the Cabinet: Exogenous Shocks and Elections**

The predominant view in the parliamentary literature is of government formation as an efficient bargaining process between political parties that culminates in the formation of an equilibrium government. In this view, government terminations are related to exogenous shocks that might precipitate a bargaining failure, and so much of this literature has focused on the conditions under which these failures are more likely (see Lupia and Strom 1995; Warwick 1994 criticizes this view).

By contrast, in the presidential literature this process has typically been treated as one dominated almost exclusively by the president who can decide alone whom to include in the cabinet and whom to leave out. More recent work suggests, however, that government formation in presidentialism can also be thought of as a bargaining equilibrium—a (sometimes explicit) bargain between the president and the parties in the legislature (or factions within the president’s own party) in which the president trades control over policy making for political support down the road (Martinez-Gallardo 2005; Amorim Neto 2006).<sup>2</sup> The resulting government should reflect the president’s preferences over future policy outcomes, as well as the president’s anticipation of the political resources she will have available to influence the policy-making process (Geddes 1994; Amorim Neto and Samuels 2003).<sup>3</sup> Available resources, in turn, will largely depend on the political configuration and the extent of the president’s lawmaking authority (Amorim Neto 2006).

Although the nature of political bargains will be different than in parliamentarism, in presidential systems unexpected shocks will also tend to change the parameters of the initial equilibrium in ways that force the president to take action—be it to restore the balance of power within the government, to search for new sources of political support,

or to strengthen the cabinet's policy expertise in the face of a crisis. Here I focus on two such types of events: policy and electoral shocks.<sup>4</sup> Although in practice most events impact the president's electoral calculations and the need for policy expertise, the specific mechanisms that operate in each case will be different.

Policy shocks tend to alter the prevailing policy status quo in a way that pushes presidents to readjust their cabinet in order to implement policy changes. This will tend to happen through three key mechanisms. In the most direct case, the president would want to reinforce the cabinet by appointing someone with the requisite "technical" skills or expertise to deal with a policy shock. But if the policy response requires legislative action and the president has not secured a cooperative majority, shocks might prompt more "political" appointments aimed at achieving support for government policy through patronage or coalition building. Although this type of calculation is obviously central to coalition politics, this mechanism is at work also during single-party governments, where poor party discipline or shifting majorities can force a president to make concessions within or without her own party in order to secure the passage of legislation.<sup>5</sup>

Finally, a third mechanism will be the use of appointments by the president to ensure accountability from, and guarantee control of, members of the cabinet (Indridason and Kam 2008). This mechanism should come into play particularly during coalition governments, when issues of moral hazard should be especially prominent.

A second broad type of shocks are those events that redefine the political calculus of players—including the president, her party, and the opposition—in the competition for electoral support. These electoral shocks change the perception of parties regarding their future electoral prospects and tend to lead to changes in their political strategy. Electoral shocks can lead to changes in the cabinet in a number of ways. A first mechanism is the use of reshuffles by the president to focus blame for a policy failure or scandal on an individual minister, rather than on herself (scapegoating). A second way in which shocks translate into cabinet changes is by giving political parties in the legislature incentives to withdraw their support from the government. Cabinet changes are likely as members of the government leave and the president seeks replacements. But electoral shocks can also be positive—gains in a midterm election, for example—and might allow the president to appoint more allies to the cabinet. As before, this type of replacement or change is



common in coalition governments but will take place in single-party governments too, where position-taking also plays a strategic role.

In both cases, the more shocks we see, the more changes to the cabinet we should expect. Whether all or any of the five mechanisms outlined above come into play will depend on the specifics of the situation, most notably on the popularity of the president. Popular presidents have more bargaining power with other parties, as well as within their own party, and this gives them greater leverage in the political horse-trading that follows a shock. Both popular and unpopular presidents will have incentives to shift blame for policy failures, and popular presidents are more likely to be able to take advantage of a shock to appoint ministers closer to their policy preferences. But popularity will make it less likely that presidents will face the need to tighten control of the cabinet through cabinet rotation, feel the need to shore up their legislative coalition, or see defections from their coalition. Thus, popular presidents should be less likely than unpopular presidents to use reshuffles as a response to changing circumstances throughout their term.<sup>6</sup>

The effect of shocks will also interact with the electoral calendar. Nearer the election, we are more likely to see turnover as a response to shocks, since the mechanisms I have described are more likely to come into play. First, other things being equal, the president is more likely to want to take advantage of a shock to appoint someone closer to her preferences in order to change the policy status quo before a potential electoral defeat. Second, the short-run political benefits of firing a minister (and the political costs of not firing someone) after a negative shock are higher as the election approaches and parties, including the president's, compete for electoral support. Third, as the election draws nearer, it becomes more difficult for the president to maintain the governing coalition and pass the remaining elements of her policy agenda. Shocks will represent an opportunity to shore up legislative support through the use of appointments. Fourth, as Altman (2000) shows for the case of Uruguay, we should expect that the costs to partners in the governing coalition of staying in the government in the face of a negative shock will be higher as an election approaches. The same should be true of members of the president's own party who will have growing incentives to take positions that improve their (or their political allies') electoral prospects in the upcoming election.

An additional reason why we would expect to see more changes as elections approach is that, as electoral alliances shift, ministers will be more likely to leave the cabinet to participate in elections as candidates or as members of a campaign.<sup>7</sup> Consequently, cabinet changes are more likely as a response to shocks when elections are near rather than far, especially during coalition governments.

In sum, unexpected shocks might upset whatever was achieved at the outset of the president's term. What I have outlined are the main mechanisms through which shocks affect the incentives for presidents to make changes to their cabinet. A given shock can be thought of as having a policy and/or an electoral component. In terms of policy, shocks can represent opportunities for presidents to move the cabinet closer to their preferred policy, for parties to extract greater concessions from the president in return for support of the government's agenda, or for presidents to tighten their grip on the cabinet. Electorally, shocks will change the balance of power in the competition for electoral support, creating opportunities for both parties and presidents to use cabinet politics to shape voters' perceptions. Whether or not these mechanisms come into play will depend partly on the president's popularity and on the electoral calendar.

### **The Politics of Appointment Strategies**

The incentives to change the cabinet are only part of the story. How incentives translate into cabinet changes will also depend on the relative cost of this political strategy, as opposed to other potential (legislative, partisan) means to respond to shocks. The question, then, is when will appointment strategies be a president's primary response? The answer, in short, is that, all else equal, appointments will be the preferred response of politically and institutionally weak presidents. In the following paragraphs I show why weak presidents will tend to use appointments more, focusing on the extent of barriers to agreement with the legislature, which largely determines the ease with which policy can be changed, and the president's institutional authority, which determines the cost of setting the legislative agenda or, in extreme situations, changing policy unilaterally.

First, the ability of presidents to achieve their political agenda depends in large part on the approval of congressional majorities, so the extent to which presidents are able to influence policy depends largely on how high barriers to agreement with the

legislature are. In general, we would expect governments that do not have a secure majority in the legislature to be more vulnerable politically. Weak political support will mean that any bargaining failure will make the president more susceptible to demands from the opposition or from legislators from her own party for concessions in exchange for legislative support. This position of political weakness will render the legislative process a more expensive means to change policy and will translate into higher turnover as presidents use appointments for political leverage.

Absent the necessary political support, presidents have a second source of strength in the extent of their institutional authority. The range of institutional powers that presidents can use to shape policy varies widely across presidential systems, and the relative importance of each type of authority in determining the president's influence on policy making has been widely debated.<sup>8</sup> Perhaps the most important distinction is between positive powers, which allow presidents to set the policy agenda and thus dominate the policy-making process, and negative powers, which allow presidents to block policy proposals that are far from their preferred policy. In terms of the use of appointments, we would expect presidents with weak agenda-setting powers (that is, those with only negative institutional authority or with weak positive powers) to find themselves relying more heavily on negotiations with allies in the legislature in order to get policy approved and thus resorting more often to appointments than those that have stronger agenda-setting powers.

At the other end of the spectrum, presidents with strong positive or proactive authority, especially strong decree powers, might have the option of acting unilaterally and largely obviating the need to bargain with the legislature. If the ability to issue decrees with force of law allows presidents to rely on a policy-making strategy based on executive prerogative rather than one based on the legislative process (Amorim Neto 2006), we would expect to see less turnover in response to demands from opposing parties in the legislature where this authority exists.

The formal authority to issue decrees, however, does not always translate into an increased reliance on decrees to change policy, and so the relationship between decree powers and turnover will depend also on the wider context that determines when presidents have incentives to use decrees more. In short, we should expect presidents to

resort to unilateral authority more—and use cabinet appointments less—when the political environment makes this strategy less politically costly relative to other policy-making strategies.

Two opposing views have dominated the debate about decree use in Latin America, and they provide contrasting predictions about when we should expect to see presidents use their decree powers more and resort less to cabinet changes. The first and most common view of decrees sees them as a usurpation of legislative authority. In this view, decrees are a means of changing policy unilaterally that presidents use when they do not have sufficient support to change policy through legislative means (Pereira, Power, and Rennó 2005). If this view is correct, we would expect to see an increase in the number of decrees (and an associated decrease in turnover related to interbranch bargaining) when barriers to agreement with the legislature are high. This should happen when the president does not have a supporting legislative majority or when the ideological distance between the executive and the legislature is greater. In both cases, the cost of buying support or bridging ideological differences might be high enough that the president might choose to rule through decree.

An alternative view of decrees comes from proponents of delegation theory who argue that decrees can be an effective tool for assemblies to delegate power to the executive “as a means of expediting action on policy” (Carey and Shugart 1998). Decrees in this view are not a usurpation of legislative power but, instead, a deliberate delegation of authority from the legislature to the president. If the delegation view of decrees is correct, we should see more decrees, and a reduction in turnover as a response to interbranch bargaining, where barriers to agreement with the legislature are particularly low. Delegation from the legislature to the executive is also more likely to happen when the president’s popularity is high (Pereira, Power, and Rennó 2005) or when the circumstances—a political or economic crisis, for instance—make unilateral and expedited action the least costly political strategy.

In sum, appointment strategies can provide leverage for presidents with little political support or weak constitutional authority. In the case of presidents with strong unilateral authority, the use of appointments as leverage in interbranch bargaining should decrease when the political environment makes the use of decrees more likely—whether

by delegation or usurpation. In either case, appointments are a source of leverage because they can be used as particularized benefits, as patronage for other politicians whose support the president needs, or as benefits for loyal supporters (Geddes 1994).

A final possibility, however, is that presidents might anticipate the future need for this type of political bargaining and choose to negotiate the formation of a coalition that might guarantee the necessary support going forward and might insulate the government from destabilizing shocks. If coalition formation does have this effect, we should find that coalitions are more stable than single-party governments. This in fact is true in parliamentary democracies, especially in Western Europe. Two main mechanisms explain this trend. First, coalition partners in parliamentary systems usually negotiate in detail the distribution of portfolios, thus limiting the prime minister's freedom in changing the distribution of party representation in the cabinet (Martin and Vanberg 2004; Huber and Martinez-Gallardo 2008). Second, coalition negotiations typically involve more careful scrutiny of potential ministers, and the additional information provided by this process might translate into ministers better suited for the job, who will be less likely to be removed further on (Huber and Martinez-Gallardo 2008).

In presidential systems, however, although there are also clear incentives to strike political bargains between the president and potential governing partners, coalition bargains will tend to be relatively fragile. On one hand, opposition parties will have incentives to participate in the government, since the executive represents access to vast resources and, especially, to opportunities for influence that are not available through the legislature. This is especially true in the centralized presidential systems of Latin America where the legislature has typically lagged significantly behind the executive in its capacity for policy influence. On the other hand, and in contrast to parliamentary systems, the survival in office of a president does not depend on her ability to garner majority support from the legislature, and so coalition partners can leave the government without risking its fall. Consequently, we would expect to see a higher rate of defection from coalition governments in presidential systems, and we should expect to see higher ministerial instability in coalitions, compared to single-party governments. The rate of defection and the rate of ministerial turnover should increase as elections approach, as the

president's popularity suffers and, as I have argued, as the returns to being associated with the president diminish.

### **Constraints on the Use of Appointments**

Even when presidents wish to, and can, use their appointment powers to achieve their goals, there are certain constraints on their ability to use this resource effectively. The first, and most obvious, is the existence of formal rules that limit a president's ability to freely change the cabinet. One such restriction is the capacity of the legislature to censure ministers. Among presidential systems, there is variation in the majority needed to overrule the legislature's censure decision, in the circumstances under which censure can happen, and in the extent to which it is actually used as a real threat to cabinet ministers (Shugart and Carey 1992; Mainwaring and Shugart 1997; Casar 1998).<sup>9</sup> However, in most cases, if the censure motion succeeds, the president alone appoints the new minister, so there is no way of guaranteeing that the replacement will be nearer the legislative majority's preferences.

The effect of this asymmetry on cabinet stability is ambiguous. On one hand, Shugart and Carey (1992) argue that the seeming contradiction in responsibility is likely to result in cabinet instability as the legislature delays the implementation of certain policies by forcing the president to change a minister—especially during minority governments. On the other hand, cases of ministerial censure are relatively rare in Latin American countries. A potential reason for this is that presidents anticipate the possibility of a censure vote and take the legislature's preferences into account when appointing the initial cabinet. If presidents do act in this way, we would expect censure to translate into fewer, nor more, cabinet reshuffles.

A second limitation on the president's ability to use appointments will stem from the opportunities for policy influence that different portfolios offer ministers (and, potentially, their parties). Certain portfolios will be largely immune from some of the dynamics discussed here because they provide their occupants with the possibility of influencing policy in areas that are deemed politically sensitive or central to the government's agenda. A potential example of such a portfolio would be finance, an area

where control over economic policy raises the stakes significantly, thus constraining the president's incentives to use this job as part of her political strategy.

Table 1 summarizes the main hypotheses of the theory and their expected effect on the president's use of appointment strategies.

<b>TABLE 1</b>	
<b>APPOINTMENT STRATEGIES AND EXPECTED EFFECTS</b>	
Argument	Expected Effect on Appointment Strategies
<b>Incentives</b>	
Exogenous shocks	More cabinet changes
Popularity	Fewer cabinet changes
Approaching elections	More cabinet changes
<b>Relative Cost</b>	
<b>Presidential strength</b>	
Political support (majority)	Fewer cabinet changes
Negative authority (veto powers)	Fewer cabinet changes
Positive authority (decree powers)	Fewer cabinet changes
Decrees and interbranch conflict	More cabinet changes when conflict is low (decrees as usurpation) Fewer cabinet changes when conflict is low (decrees as delegation)
Decrees and presidential popularity	More cabinet changes as popularity increases (decrees as usurpation) Fewer cabinet changes as popularity increases (decrees as delegation)
Decrees and crises	Fewer cabinet changes in times of crisis (decrees as delegation)
Coalition building	More changes in majority coalitions than in other types of government
<b>Constraints</b>	
Ministerial censure	Indeterminate
Possibility for policy influence of portfolio	Fewer changes

## MEASURING CABINET STABILITY

To test the theory of cabinet stability outlined above, I constructed a database that records changes to the cabinets of twelve Latin American countries between 1982 and 2003 (see Table 2 for list of countries and years). The dataset observes each country monthly and records when individual ministers enter the cabinet and when they leave. The structure of the data allows me to use survival analysis to link cabinet reshuffles with the institutional and contextual factors suggested by the theory.

**TABLE 2**

**MINISTERIAL DURATION IN MONTHS, BY COUNTRY, 1982–2003\***

Country	Years	N	Mean	SD	Min	Max	Term**	Mean/Term
Peru	1985–2001	188	13.29	11.18	1	64	5	.22
Venezuela	1984–2000	174	19.81	16.17	1	59	6	.28
Bolivia	1982–2003	213	13.77	10.74	1	47	4	.29
Ecuador	1984–2002	160	18.02	13.80	2	47	5	.30
Colombia	1982–2002	211	14.87	9.09	1	47	4	.31
Argentina	1984–2003	125	20.17	18.51	1	106	5	.34
Brazil	1990–2002	106	16.76	18.04	1	95	4	.35
Paraguay	1989–2003	77	21.57	16.94	3	73	5	.36
Chile	1990–2000	57	31.18	18.64	5	71	5	.52
Mexico	1983–2000	92	39.59	26.87	1	135	6	.55
Costa Rica	1982–2002	114	28.04	14.40	3	48	4	.58
Uruguay	1985–2000	85	29.31	22.10	1	105	4	.61
All Countries		1602	19.95	17.14	1	135		

\* Countries enter the dataset on the year of the presidential election closest to 1982. Excludes presidents and administrations that were still in office by the end of 2003. Includes subset of portfolios, see text for details. Sources: Keesing's Record of World Events, Lexis Nexis, and other region- and country-specific sources.

\*\* Chile and Argentina changed the length of the presidential term during the time of the study: Argentina from four to six years and back to four years, and Chile from four to six years. Numbers in the table for these countries are averages.



The dataset covers the administrations of 56 Latin American presidents and includes data on the tenures of over 1,500 individual ministers. Table 2 shows mean tenures in months for the ministers for whom the data is complete (i.e., who had exited the government by the end of 2003). The last column shows tenure lengths relative to the length of a presidential term to account for the common trend of ministers leaving when the president who appointed them leaves. Overall, the average ministerial tenure for countries in the dataset is relatively short; on average, ministers last 17.08 months in office (the average presidential term is slightly over 54 months), which is in sharp contrast with US secretaries who averaged 34.7 months in office between 1789 and 2001 (Chang, Lewis, and McCarty 2001).<sup>10</sup> There is, however, wide variation across countries, with ministers in Peru staying in office less than a fourth of the presidential term and ministers in Uruguay staying, on average, a little under two-thirds of a term.

It is important to note two specific features of the dataset. First, ministers are observed from the moment they enter a given portfolio to the moment they leave it (their termination). In practice this means that there are more observations (1,602) than individual ministers (1,368), as each can enter the dataset more than once if they occupied more than one position in the cabinet and/or if they left the cabinet and joined it at some other point in time (even if they joined the same portfolio). This type of reshuffle, however, is substantially less common than full terminations and only constitutes 6 percent of all terminations in the dataset. Importantly, only terminations that occur after the president takes office and before a new one is sworn in are considered in the analysis. Ministers tend to leave their posts when the president leaves, and these changes respond to a different dynamic from the one I describe here.<sup>11</sup> In most countries, terminations that are not associated with the end of a presidential term account for half or more of all terminations (see Figure 1). Two exceptions are Ecuador and Costa Rica, where nearly 60 percent of changes happen at the end of a term. In Ecuador this is probably due to the short tenure of presidents in the 1990s (six presidents in 15 years). In Costa Rica it is at least partly due to combination of high ministerial stability and the alternation in power during the years of this study between the Partido Unidad Social Cristiana (Social Christian Unity Party, or PUSC) and the Partido Liberación Nacional (National Liberation Party, or PLN). In the empirical analysis, observations for ministers

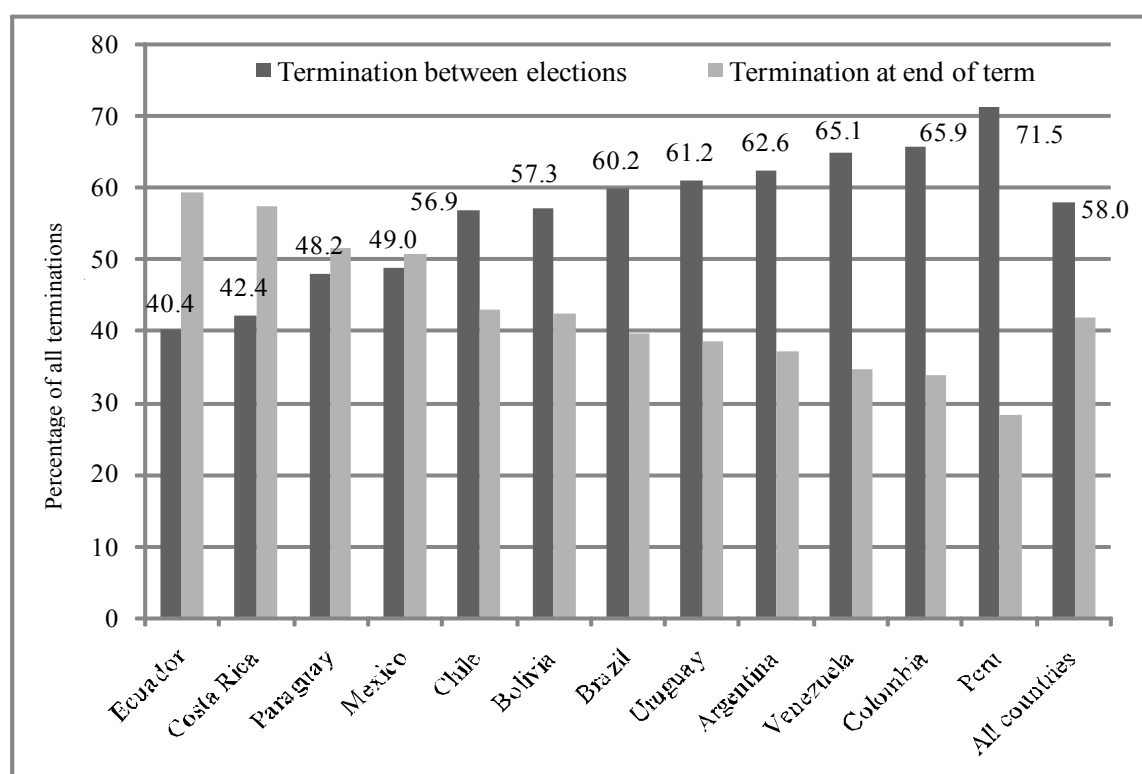
who leave the government at the end of a presidential term are considered to be censored. In practical terms this means that these observations are treated as if the date of their failure (or exit from the cabinet) cannot be observed; in other words, we cannot know how long these ministers would have stayed in office had they not had to leave their positions at the end of the president's constitutionally mandated term.

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**FIGURE 1**

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**TERMINATIONS BETWEEN ELECTIONS AND AT END OF PRESIDENTIAL TERM**



The unit of analysis, then, is a minister-portfolio and the dependent variable of interest is the number of continuous days that a minister occupied a specific portfolio. This is a substantial improvement on existing work on cabinet stability which has been based on aggregate measures, considering a reshuffle to have occurred when a certain number of ministers change (Geddes 1994; Almeida 2003), for example, or using the number of changes in a cabinet in a year (Amorim Neto and Borsani 2004) or an administration

(Santos 1986). The measure I use here allows me to analyze individual cabinet changes and, importantly, to associate changes that happen at any point during a government with changing aspects of the political process.

Second, in order to enhance comparability across countries and portfolios, I include only a subset of “most relevant” portfolios. The portfolios were selected based on the consistency with which they existed in each country over time. The assumption behind this decision is that portfolios that are essential to the functioning of a country will tend to exist more consistently than those created for more idiosyncratic reasons such as opportunity or ideology. In Chile, for example, the Ministry of Executive-Legislative Coordination existed only during the government of Eduardo Frei and was not included. Other examples of excluded ministries include Integration in Bolivia, Sports and Youth in Venezuela, and Women in Paraguay.<sup>12</sup>

Descriptive statistics for explanatory variables are included in the Appendix. I describe these variables briefly in the following paragraphs.

The first claim of the theory is that exogenous shocks will alter the parameters of the initial bargaining equilibrium and will push the president to use cabinet changes to negotiate a new one. I use two sets of proxies to measure the propensity of a country to suffer exogenous shocks. The first is a series of indicators of a country’s overall economic stability. The indicators included are the Inflation and Growth rates (see Appendix for variable descriptions and sources). The second proxy is a modified version of the weighted Conflict Index from the Banks Dataset. The index combines several indicators of conflict, including assassinations, strikes, riots, and demonstrations, and is intended to measure the propensity of different countries to experience shocks unrelated to the economy. Since this indicator is not available for all years and countries, I also use democracy scores from Polity as a proxy for political conditions that might lead to increased shocks. If the theory is correct, we would expect that as political and economic conditions get worse, or countries become more undemocratic, shocks will be more likely and presidents will have more incentives to reshuffle the cabinet.

The second claim of the theory is that changes in response to shocks will be more likely as elections approach. To get at the electoral dynamic of cabinet reshuffles, I measure the Time to the Next Scheduled Election, in months. The president’s Popularity

should also matter. The theory predicts that popular presidents should be in a stronger position, and thus should reshuffle their cabinet less than unpopular presidents. There are several challenges involved in measuring presidential popularity for a wide cross-section of countries. The first is that data on presidential approval are not readily available for most countries. The data used here are from the presidential approval dataset gathered for Carlin, Hartlyn and Martinez-Gallardo (2009). The data cover all the countries in this paper, although the number of years available varies from country to country (see Appendix for a list of years by country). A second challenge is that available survey data vary widely in terms of question wording, length of series, coverage, and methodology, and this makes it difficult to make meaningful comparisons across countries. To overcome this challenge, Carlin, Hartlyn, and Martinez-Gallardo (2009) compute country-specific measurement models using time-series principal components analysis and the dyad ratios algorithm to generate a measure of presidential approval that is comparable across countries.<sup>13</sup>

The third claim of the theory is that reshuffles will be relatively cheaper to use than the legislative process for weak presidents. The empirical analysis includes different indicators of presidential strength. The first is an indicator of whether the governing party (or parties) has (have) a majority of seats in the legislature (Majority), which should affect the ease with which agreement with the legislature will be achieved.

Another source of strength comes from the president's constitutional authority. To measure presidents' negative powers (Negative Powers), the analysis includes an indicator developed by Tsebelis and Alemán (2005) that considers what action presidents can take after a bill is approved by congress. Unlike other measures of presidential negative or reactive authority, this measure integrates veto powers and override thresholds as well as presidents' ability to amend bills once they have been approved by the legislature. To measure presidents' positive authority, the models include two indicators of the reach of presidents' decree authority. The first measure is a dummy for countries where decrees issued by the president immediately become law (Strong Decree).<sup>14</sup> Argentina (post-1995), Brazil, Chile, Colombia, Ecuador, and Peru are all coded as having strong decree powers. The second measure of the reach of decree powers takes into account findings that suggest that this source of presidential strength is more

effective when presidents also have negative authority (Negretto 2004) (Decree\*Negative).

The theory outlined above, however, suggests that whether or not presidents chose to change policy through decrees will depend on the wider environment that shapes the incentives to choose a unilateral, rather than a legislative, policy-making strategy. The extent to which decrees are preferred should depend on the extent of agreement between the legislature and the executive, particularly whether the president has a favorable majority and whether ideological distance between the two branches is large. To test these hypotheses, the models include interactions of decree powers with a measure of ideological distance (Decree\*Distance) and with majority status (Decree\*Minority). Interactions of decree authority with popularity (Decree\*Popularity) and inflation rates (Decree\*Inflation) are also included as measures of the relative cost of using decrees.

Two measures of constraints on presidents' ability to use appointments are also included. The first is the existence of a censure motion (Censure). The second is a proxy for the opportunity for influence that different portfolios offer. Although the relevance of each portfolio varies across countries, here I use dummies for Finance and Foreign Affairs portfolios, which are two of the most prominent areas of policy across the region.

Finally, I include a series of control variables. Term Length is the duration of the presidential term as mandated by the constitution and is included to account for the fact that most ministers leave when a presidential term ends. Legislative Fractionalization has been found in the parliamentary literature to be related to government duration and is measured here as an indicator for countries with a Herfindahl index above the sample mean. I also include an indicator of whether the president for a particular country in the sample took office by means other than an election (Nonelected) in order to control for the possibility of instability unrelated to the normal policy-making process. Finally, Independent is a dummy that takes the value 1 if the minister does not belong to a political party.

## MODELING CABINET STABILITY

The claims outlined above are tested using a series of survival models. These models have gained prominence in various areas of political science, especially in the study of parliamentary government where they have been widely used to test theories of government duration.<sup>15</sup> In this section I briefly discuss survival models and expand on two issues involved in model specification: the characterization of duration dependence and controlling for unobserved heterogeneity.

Survival analysis is of particular interest when the main variable of interest is a duration—in this case, the amount of time elapsed between the minister's appointment to the cabinet and her exit. The key concept in survival analysis is the hazard function, which gives the probability that an individual will fail at a certain time, given that she has survived up to that point. In this research in particular, the hazard rate represents the likelihood that a minister will leave her current position in the cabinet, given that she has not done so up to that moment.<sup>16</sup>

A first issue involved in specifying the model is to characterize the relationship between the hazard rate and time (or duration dependence). This relationship is given by the baseline hazard, which describes the hazard rate when all covariates are set to zero. Depending on whether we think that the risk of failure increases, decreases, or remains constant over time, we could assume different shapes for the baseline hazard or the underlying risk of failure. In the context of ministerial turnover, however, it is not clear what the relationship is between cabinet terminations and time.

On one hand, if coalition partners have incentives to distance themselves from the incumbent president as an election approaches (Mainwaring 1993; Altman 2000), we should expect the hazard or risk of exiting the government to increase with time to the next election.<sup>17</sup> On the other hand, I have argued that presidents will use appointments as responses to exogenous shocks, and there is no a priori reason to expect that these shocks will be distributed in any particular way with respect to time.<sup>18</sup> In sum, there are insufficient grounds to form an unambiguous expectation about the relationship between time and the probability of failure by an individual minister. In consequence, I use semi-parametric Cox proportional hazards models that allow the analysis of ministerial tenures without assuming a specific shape for the hazard function (Cox 1972).

A second issue involved in model specification is the possibility that there exist factors that affect the likelihood of cabinet terminations but that are unobservable or difficult to measure. Failing to control for this unobserved heterogeneity may lead to biased coefficients and durations (Henderson and Oman 1999). To control for this possibility the models include a random variable, or frailty term, that allows for unobserved variation across clusters that might affect the underlying vulnerability of observations from a particular cluster to fail more often. A main source of this unobserved variability are country-specific factors that might be difficult to measure but may nonetheless make it more likely that presidents will use appointments more or less often. In the empirical analyses that follow observations are assumed to be clustered in countries and the frailty is assumed to be shared by all ministers in a particular country.<sup>19</sup>

## **FINDINGS**

Overall, the data show that cabinet turnover plays a crucial role in bargaining between the executive and the legislature over policy. In the context of fixed terms, the power to change the cabinet allows presidents to face unexpected shocks and use cabinet rotation to adjust the government to them. Furthermore, the data show that this negotiating tool is even more important when presidents' formal authority is weaker and when their political support and popularity decrease.

The results of the analysis are presented in Tables 3–5. The coefficients are exponentiated so that they represent the ratio of the hazards for a one-unit increase in the relevant covariate; a hazard ratio greater than 1 implies that an increase in the covariate will increase the odds that a minister will exit the cabinet, while a hazard ratio lower than 1 implies that an increase in the covariate will reduce the odds of a minister leaving the cabinet.

The first thing to note in Table 3 is that turnover does rise in contexts of increased shocks. The index of political stability has a significant effect on the likelihood of cabinet changes as do the economic proxies for shock propensity. The likelihood of a termination increases 15 percent with a one-standard (SD) deviation increase in growth and 9 percent with a similar increase in inflation.<sup>20</sup> The effect of the index of political conflict and of

the polity score are substantively similar, with the likelihood of a cabinet failure increasing around 12 percent if conflict increases by one-standard deviation and the likelihood decreasing by 10 percent with a one-standard deviation change towards democracy, although the polity score is below standard significance levels for most specifications of the models.<sup>21</sup>

TABLE 3

**DETERMINANTS OF MINISTERIAL STABILITY: SHOCKS AND  
PRESIDENTIAL STRENGTH<sup>†</sup>**

	(1)	(2)	(3)	(4)
Conflict Index	1.000*** (0.003)			
Polity	0.971 (0.127)	0.915** (0.011)	0.965* (0.066)	0.969 (0.112)
Growth	0.960*** (0.000)	0.965*** (0.001)	0.962*** (0.000)	0.961*** (0.000)
Inflation (ln)	1.056** (0.026)	1.057 (0.107)	1.106*** (0.000)	1.103*** (0.000)
Approval		0.988*** (0.009)		
Majority Gov	0.780*** (0.008)	0.854 (0.227)		
Coalition	1.263** (0.032)	1.260 (0.123)		
Minority Gov			0.975 (0.795)	1.075 (0.518)
Single-Pty Majority			0.613*** (0.001)	0.707** (0.037)
Maj Coalition & Maj President				1.295* (0.078)
Term Length	1.118 (0.237)	1.178 (0.125)	1.032 (0.733)	1.015 (0.872)
Time to Election	0.997 (0.181)	0.999 (0.843)	0.998 (0.463)	0.998 (0.412)
Fractionalization	1.193* (0.092)	1.255* (0.070)	1.206* (0.062)	1.128 (0.262)
Ideological Distance	1.072 (0.208)	1.030 (0.692)	1.149*** (0.006)	1.158*** (0.004)
Independent	0.932 (0.476)	0.840 (0.140)	0.968 (0.727)	0.972 (0.765)
Nonelectoral	1.201 (0.224)	1.132 (0.490)	1.145 (0.369)	1.124 (0.441)
Observations	29556	20771	31396	31396
No. of failures	856	557	928	928
Number of groups	12	12	12	12

<sup>†</sup>P-values in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1.



The second finding in Table 3 is that presidents tend to use appointments less when their popularity is high. Model (2) shows that higher approval rates are associated with more stability in the cabinet and that this effect is substantively large: the likelihood that a cabinet member will be changed decreases by about 16 percent when the president's popularity increases by one SD (or 14.4 points). To illustrate the significance of this variable, holding all other variables constant, we would expect the likelihood of a cabinet failure to increase by approximately 35 percent from the beginning of Alfonsín's term in 1983, when his approval rate was at a high of 84.4, to the end of his term in 1989, when it had dropped to 47.1.

The proximity of elections, however, does not have the expected effect. The number of months to the next election is not significant in any specification of the model. This is in part because the effect of time is not linear; ministers are in fact much less likely to exit the cabinet in the six months before the election (results not shown) but are much more vulnerable in the year before that. As mentioned before, this is in part due to the existence of rules that force ministers and other government officials to leave their posts three to six months before the election. Cabinet turnover increases significantly seven to eighteen months before an election, as ministers decide to participate in the election and presidents readjust their government accordingly.

Findings on presidential strength also support the main expectations of the theory. First, as expected, majority presidents are consistently less likely to use appointment strategies in policy making than minority presidents. Not all majority governments are the same, however. Model (3) separates majority governments into single-party and coalition (majority coalition is the baseline category). In contrast to parliamentary systems, majority coalition governments are more unstable than single-party majority governments and they are no more stable than minority governments. There is evidence that minority presidents do build governing coalitions in order to guarantee support for their policies: of the forty-five minority presidents in the dataset, thirty, or 67 percent, formed a coalition at some point during their term, compared with five, or 29 percent, of the seventeen majority presidents. However, these deals do seem to be more unstable than the coalition deals struck in parliamentary regimes. Further, garnering majority support through coalition building does not seem to make these governments any more

stable than those with only minority support. Model (4) shows, however, that the need for legislative support does constrain to some degree the extent to which presidents can freely change their cabinets. Although coalitions are more unstable than single-party governments in general, when we look at coalitions formed by minority presidents and compare them to those formed by majority presidents, the former are more stable. Table 4 illustrates the effect of presidents' institutional authority. The measure of reactive powers (Veto Powers) is statistically and substantively significant in the expected direction: a one-SD increase in the measure decreases turnover by around 28 percent. The dummy for strong decree authority, however, is not significant when included on its own.<sup>22</sup> Nonetheless, I have argued that to assess not only the formal authority but also the incentives to issue decrees, this variable should be interacted with measures of the type of political environment that would make it more likely that a president would use decrees. First, decree powers are significant when presidents also have reactive authority. Using an index of reactive authority constructed by the United Nations Development Programme (UNDP), Model (7) shows that presidents that have strong decree authority are much less likely to resort to appointments in negotiating with the legislature if they also have stronger reactive authority. The effect is substantial: for presidents with strong decree authority, a one-SD increase in the index of reactive powers decreases the likelihood of termination by 40 percent.

A second set of incentives for the use of decrees comes from conflict with the legislature. Ideological distance between the executive and the legislature should give presidents more incentives to act unilaterally and, thus, should make the use of appointments less important as a negotiating tool. The interaction between decree authority and ideological distance in Model (8) shows this relationship: For presidents with strong decree authority, an increase in ideological distance translates into a significant decrease in turnover. This decrease is even more marked for presidents who are particularly far from the mean legislator (Model 9). If decree powers give minority presidents the opportunity to act unilaterally, we should expect minority presidents without this alternative to be the most unstable. This is indeed the case (Model 10).

TABLE 4

DETERMINANTS OF MINISTERIAL STABILITY: INSTITUTIONAL AUTHORITY AND IDEOLOGICAL DISTANCE<sup>†</sup>

	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Majority Gov	0.803** (0.012)	0.810** (0.019)	0.809** (0.018)	0.809** (0.018)	0.789*** (0.008)		0.842 (0.182)	0.818** (0.026)
Coalition	1.313*** (0.009)	1.287** (0.019)	1.283** (0.020)	1.357*** (0.006)	1.258** (0.033)	1.272** (0.024)	1.295* (0.082)	1.287** (0.020)
Ideological Distance	1.120** (0.020)	1.112** (0.032)	1.114** (0.028)	1.340*** (0.003)		1.105** (0.046)	0.971 (0.690)	1.085 (0.114)
Const Authority	1.002 (0.963)	0.989 (0.874)		0.981 (0.784)	0.956 (0.502)	1.001 (0.985)	0.987 (0.830)	0.992 (0.906)
Veto Powers	0.282*** (0.001)							
Decree		1.369 (0.216)	3.807** (0.028)	1.751* (0.052)	1.554* (0.072)	1.551* (0.081)	4.050*** (0.002)	1.839** (0.044)
Negative Auth			1.552 (0.618)					
Decree*Negative			0.093* (0.074)					
Decree*Distance				0.772** (0.032)				
Very Far					2.077*** (0.000)			
Decree*Very Far					0.430*** (0.000)			
Minority*No Decree						1.306** (0.022)		
Approval							1.002 (0.733)	
Decree*Approval							0.974*** (0.004)	
Decree*Inflation (ln)								0.924* (0.073)
Inflation (ln)	1.095*** (0.000)	1.098*** (0.000)	1.093*** (0.000)	1.085*** (0.000)	1.063*** (0.007)	1.101*** (0.000)	1.062* (0.080)	1.143*** (0.000)
Observations	31396	31396	31396	31396	31396	31396	20771	31396
# failures	928	928	928	928	928	928	557	928
# groups	12	12	12	12	12	12	12	12

<sup>†</sup>P-values in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1. For reasons of space, table excludes control variables and measures of shocks.

The last two models in Table 4 provide further evidence of the circumstances under which presidents might choose to act unilaterally through the use of decrees and of how this decision reduces the use of appointments as tools in interbranch bargaining. These models show that presidents with decree powers are less likely to use cabinet appointments when the political environment makes unilateral action less costly. A first such circumstance is when their popularity is particularly high. Presidents with decree authority are less likely to change their cabinet when their popularity is higher (Model 11). A second circumstance under which decrees might be less costly is when the economy is bad. Indeed, Model (12) shows that presidents are less likely to use appointments when they have strong decree powers and inflation is higher. Table 5 shows the effect of constraints on appointment powers on cabinet stability. Although censure powers are not significant when included alone (not shown), the threat of censure does seem to be a more effective constraint on the president as an election appears on the horizon (Model 13). Models (14) and (15) include indicators of the two most prominent portfolios to see if the opportunities for influence that the position carries impose restrictions on the president's use of these positions as a part of her political strategy. Unexpectedly, the indicator for finance is not statistically significant and it has the wrong sign indicating that, if anything, finance ministers in Latin America are more unstable than ministers in other areas. This is not true for foreign affairs ministers; the likelihood that ministers in this area will be changed is significantly lower than the likelihood for other ministers (as are defense ministers).<sup>xxiii</sup>

Finally, regarding the controls, the length of the president's term is not a significant determinant of the length of ministerial tenures. The three other controls included in the tables are the level of fractionalization, whether the minister is an independent (i.e., is not affiliated with any political party) and whether the president under whom ministers served was elected or not. None of the three is measured precisely.

TABLE 5

## DETERMINANTS OF MINISTERIAL STABILITY: CONSTRAINTS\*

	(13)	(14)	(15)
Coalition	1.286** (0.021)	1.330*** (0.007)	1.330*** (0.007)
Majority Gov	0.873 (0.143)	0.810** (0.019)	0.808** (0.018)
Const Authority	1.046 (0.182)	1.043 (0.197)	1.044 (0.183)
Censure	0.628** (0.019)		
Censure*Time to Election	0.984*** (0.002)		
Finance		1.206 (0.111)	
Foreign			0.654*** (0.004)
Term Length	1.143 (0.187)	1.099 (0.336)	1.106 (0.308)
Time to Election	1.008** (0.038)	0.999 (0.534)	0.998 (0.485)
Fractionalization	1.165 (0.139)	1.199* (0.074)	1.202* (0.072)
Ideological Distance	1.121** (0.023)	1.105** (0.045)	1.104** (0.048)
Polity	0.975 (0.193)	0.975 (0.196)	0.975 (0.199)
Growth	0.960*** (0.000)	0.961*** (0.000)	0.961*** (0.000)
Inflation (ln)	1.102*** (0.000)	1.101*** (0.000)	1.101*** (0.000)
Observations	31396	31396	31396
No. of failures	928	928	928
Number of groups	12	12	12

\* P-values in parentheses; \*\*\* p<0.01, \*\* p<0.05, \* p<0.1.

## CONCLUSIONS

Government formation in presidential systems has traditionally received little attention in the literature. The dominant view of presidential politics typically considered government formation uninteresting, given the lack of incentives for coalition building and the brittleness of coalitional arrangements when and where they did exist. Instead, the literature focused heavily on the relationship between the executive and the legislature, leaving executive politics largely unexplained. This view, however, has changed in recent years, with scholars making important contributions to our understanding of government formation and of the relationship between executive politics and wider political dynamics. This paper makes several contributions to this literature.

First, I have detailed and shown empirically ways in which presidents use appointments as part of their policy-making strategy. Appointments are crucial in government formation, but I have shown here that they are also essential throughout a term, as presidents seek to face impending challenges and maintain their government. Inevitably, exogenous shocks will change the terms of the prevailing political bargain, and presidents will be forced to take action through a set of possible strategies that include legislation, unilateral action, the use of their partisan resources, and appointments. I have shown here that appointment strategies will typically follow when weak presidents find other potential strategies—legislative strategies in particular—too costly, given the configuration of structural powers and political support.

The theory of the use of appointment strategies also suggests ways in which the process of cabinet formation and cabinet change are connected in presidential politics. There is evidence that presidents will attempt to form the cabinet that they calculate will allow them to pass policy. Amorim Neto (2006) has found that presidents who anticipate that they will favor a legislative strategy will tend to form a cabinet with more partisan ministers, one that has a majority, and one in which portfolios will be allocated in a more proportional way. However, the findings presented here suggest that, although initial conditions matter, they do so in a limited way. Presidents use their appointment powers throughout their term to deal with shocks that change the relative cost of one or another policy-making strategy. In a context of decreasing legislative support, for example,

presidents with strong proactive authority will tend to rely more on their power to issue decrees and will use appointments less in legislative bargaining. This might be the case too as their popularity increases.

The question that remains, of course, is whether cabinet stability is positive for policy making. It is typically assumed that a certain degree of continuity will improve the stability and quality of policies, as well as the ability of politicians to make the bureaucracy accountable. However, there is very little research on this issue (especially outside the economic arena), and it remains very much an open question. This paper suggests that the use of cabinet changes is not always negative. Weak presidents who would otherwise find themselves severely limited in their ability to cope with political and policy crises resort to reshuffles precisely as a way to overcome their political and institutional limitations. This might point to the use of cabinet changes as a way to renew the talent pool or to innovate. If this is so, constraints on the ability of presidents to change their cabinet might prevent both the type of instability that impedes good policy making and the type of changes that allow them to change course when they need to do so.

More widely, this paper sheds light on the debate over the relative merits of presidential and parliamentary government. The traditional perspective on regime stability tends to argue that electoral incentives in presidentialism translate into minority presidencies that, in the context of multipartyism, are more likely to face high levels of executive-legislative conflict (Valenzuela 2004, Mainwaring 1993). This perspective has come under attack by scholars who question the idea that broad constitutional differences are behind the failure of presidential countries to avoid conflict and instability. Instead, this work has pointed to other factors that are central to presidential government survival: the relative strength of political parties, their ideological distribution in the legislature, and the president's agenda-setting powers (Negretto 2004; Cheibub 2002).

The findings presented here suggest that the use of appointment strategies by presidents is another central factor in understanding the stability of the wider political system. The connection is both implicit and explicit. On one hand, appointments are often cited explicitly as a means by which presidents attempt to build working majorities that guarantee governance or seek to avert situations of crisis. On the other hand, arguments

about regime instability often implicitly assume either rapid changes in the cabinet or the inability of the administration to make political compromises through cabinet positions as the mechanisms linking regime type and political instability. The evidence in this paper suggests that appointments provide presidents a way to manage precisely the types of institutional and political challenges that have long been identified as sources of presidential instability. Fleshing out in more detail the links between cabinet instability and regime crises, however, remains a promising research agenda in the comparative politics of institutions.



## APPENDIX

Variable	Source and Description
Cabinet Data	Dataset constructed by author. Records monthly changes of individual ministers in the cabinets of 12 Latin American countries (see text for details). Sources include Keesing's Record of World Events, Lexis Nexis Academic, and country newspapers. Data on Brazil provided by Octavio Amorim Neto.
Inflation	From World Development Indicators. Consumer prices (annual %). Where information was missing, completed from the Economist Intelligence Unit ( <a href="http://data.eiu.com">data.eiu.com</a> ).
Growth	From World Development Indicators. GDP growth (annual %).
Conflict Index	From Banks' Cross-National Time-Series Data Archive. Weighted index of domestic conflict event data (based on archives of the New York Times). The original variable includes government crises, but I excluded this component from the modified version I use here. For details see: <a href="http://www.databanksinternational.com">www.databanksinternational.com</a> .
Polity	From Polity IV dataset. Polity index measures "concomitant qualities of democratic and autocratic authority in governing institutions." For details see homepage of the Polity IV Project at: <a href="http://www.systemicpeace.org/polity/polity4.htm">www.systemicpeace.org/polity/polity4.htm</a> .
Time to the Next Election	Measures the number of months between the current month and the month of the next constitutionally mandated election.
Popularity	From Carlin, Hartlyn, and Martinez-Gallardo (2009). See text for details. Years available are: Argentina (1984–03), Bolivia (2002–03), Brazil (1990–02), Chile (1990–03), Colombia (1994–02), Costa Rica (1982–03), Ecuador (1984–02), Mexico (1989–03), Paraguay (1998–03), Peru (1993–03), Uruguay (1997–03), Venezuela (1989–03).
Majority (Minority)	Dummy variable that takes the value 1 if the government is held by a single party and its share of legislative seats is larger (less) than 50% +1 and 0 otherwise. Sources for government shares include: Political Database of the Americas, Observatorio Electoral, and country electoral commissions.
Coalition	Dummy variable that takes the value 1 when a member of an opposition party has a position in the cabinet and there is no clear evidence that the position is NOT held in a partisan capacity.
Veto Powers	Data provided by Eduardo Alemán, based on Tsebelis and Alemán (2005). Measure takes into account the extent of the president's veto powers as well as the extent to which the president can introduce amendatory observations after final passage of the bill.
Decree	The following countries are coded as having strong decree powers: Argentina (after 1994), Brazil, Chile, Colombia, Ecuador, and Peru. Sources for codings include Carey and Shugart (1998) and country constitutions.
Reactive	Data are taken from Table 3.5 of the Inter-American Development Bank 2006 report "The Politics of Policies: Economic and Social Progress in Latin America." For more details see: <a href="http://www.iadb.org/res/ipes/2006">www.iadb.org/res/ipes/2006</a> .
Constitutional Authority	Measures overall constitutional authority of president on a scale from 0 to 5 (excludes decree powers). Based on Shugart and Carey (1992), Mainwaring and Shugart (1997), and Shugart and Haggard (2001).

Ideological Distance	Mean distance between the ideological position of the president's party (or the government parties if a coalition exists) and the mean ideological distance of opposition parties in the legislature. Ideology is measured as a 5-point scale based on the party positions given in Coppedge (1997).
Very Far	Dummy variable that takes the value 1 if the absolute ideological distance is one SD more than the mean of the sample.
Censure	Dummy variable that takes the value 1 if the legislature can censure cabinet ministers and the value 0 otherwise. <sup>1</sup>
Finance/Foreign Affairs	Dummy variable that takes the value 1 if the minister occupied the Finance/Foreign Affairs portfolio and 0 otherwise
Controls:	
Term Length	Duration of the presidential term as mandated by the constitution.
Fractionalization	Dummy variable that takes the value 1 when the Herfindahl Index is larger than the mean of the sample.
Nonelected	Dummy variable that takes the value 1 if the president for a particular country in the sample took office by means other than an election.
Independent	Dummy variable that takes the value 1 if minister does not belong to a political party.

<sup>1</sup>Argentina is coded as .5 because only the head of the cabinet (Jefe del Gabinete de Ministros) can be censured and removed from office by an absolute majority of the members of each chamber (see Article 101 of the 1994 Constitution).

## ENDNOTES

<sup>1</sup> The literature on parliamentary cabinet formation, dissolution and, more recently, policy making is enormous. For a few contributions, see Warwick (1994), King et al. (1990), Diermeier and Stevenson (1999), Powell (1982), and Strom (1990).

<sup>2</sup> Probably the most extreme example of this type of exchange is the vote-buying scandal that rocked Brazilian politics in 2005. Among other accusations, the governing PT (Partido dos Trabalhadores, or Workers' Party) was accused of paying PL (Partido Liberal, or Liberal Party) and PP (Partido Progressista, or Progressive Party) members of congress 12,000 dollars a month in exchange for supporting the president's congressional agenda. More typical are bargains such as the one reported on June 24, 2005, between Brazilian president Lula and leaders of the PMDB (Partido do Movimento Democrático Brasileiro, or Brazilian Democratic Movement Party), where Lula allegedly offered two additional ministries to the party in exchange for their political support. See Brazil Report, Intelligence Research Ltd., June 30, 2005.

<sup>3</sup> I use female pronouns throughout the paper.

<sup>4</sup> Diermeier and Merlo (2000) assume two types of exogenous shocks, policy and public opinion. Policy shock is the "default policy" that would be implemented if no government forms in that period. Public opinion shocks determine the electoral prospects of parties if an election were to be held.

<sup>5</sup> The appointment of a new Mexican interior minister in January 2008, for example, was widely seen as a move by President Calderón to "build better relations with opponents in Congress who stymied efforts to alter the country's economy and judicial system" (*Washington Post*, January 17, 2008, from LexisNexis.com, accessed January 22, 2009).

<sup>6</sup> The perception that a reshuffle might help an unpopular president is common. Peruvian president Alejandro Toledo provides a perfect example. In February of 2004 the president reshuffled his cabinet in an effort to "counteract the political meltdown" (*World Press Review* 51, 4, April 2004), and try to "rebuild his credibility" in the context of record low approval ratings of 7 percent (LatinFocus Consensus Forecast for March 2004). That same month, 62 percent of voters agreed that the reshuffle was Toledo's last chance to save his administration (from LexisNexis.com, accessed January 22, 2009). The reshuffle helped, at least temporarily, as Toledo's popularity rose slightly to 10 percent (LatinFocus Consensus Forecast for March 2004).

<sup>7</sup> Several countries have rules about when members of the government have to resign their posts to participate in elections. In Peru and Costa Rica, for example, cabinet ministers have to resign

their post six months before the legislative election. In Mexico, Paraguay, and Venezuela ministers must resign ninety days before the election.

<sup>8</sup> See, for example, Shugart and Carey (1992), Metcalf (2000), Shugart and Haggard (2001), and Tsebelis and Alemán (2005).

<sup>9</sup> In Bolivia and Ecuador the censure motion can be accepted or rejected by the president. In Paraguay, if the motion is not approved by a two-thirds majority, it can trigger a process through which the president can dissolve congress. In Argentina only the *jefe de gabinete* (head of the cabinet) can be censured.

<sup>10</sup> Duration in office of ministers in parliamentary systems varies widely, from Italy, where ministers stay in the same portfolio 777 days, on average (26 months approximately), to Luxembourg where they average over 2,600 days (more than 85 months). Data cover all postwar years up to 1999 and are taken from Huber and Martinez-Gallardo (2004).

<sup>11</sup> Excluding presidents, only 63 of the 1602 ministers (3.9 percent) stayed after the end of an administration. Of these, 26 stayed after the president who named them won reelection.

<sup>12</sup> I relied on secondary literature or consultations with country specialists to decide which portfolios to include when several portfolios were occupied for the same number of days. Huber and Martinez-Gallardo (2008) combine this criterion with more recent country surveys on the importance of ministries in parliamentary democracies. Unfortunately, similar surveys do not exist for Latin America.

<sup>13</sup> This approach is well known in studies of macro-opinion in the United States (e.g., Erickson, MacKuen, and Stimson 2002, Enns and Kellstedt 2008). For a detailed explanation of the approach, see Stimson (1999).

<sup>14</sup> A measure of *Constitutional Authority* unrelated to decrees is included as a control. It is never significant.

<sup>15</sup> On survival analysis, see Prentice and Kalbfleisch (1979). For a review of the use of duration models in political science, see Box-Steffensmeier and Jones (1997). For applications in the context of parliamentary democracies, see Warwick (1992), King et al. (1990), Gordon (2002), and Huber and Martinez-Gallardo (2008). For an application in the presidential context, see Guerrero Gutiérrez (2001).

<sup>16</sup> As I mention above, I take a reshuffle to be completely absorbing. In practice, this means that a minister fails if a) she leaves the cabinet, or b) she is changed to another portfolio.

<sup>17</sup> This should be true only for ministers from parties (or factions) different from the president's.

<sup>18</sup> In the parliamentary context, Browne, Frendeis, and Gleiber (1984) argue that exogenous shocks that might topple the government are randomly distributed over time.

<sup>19</sup> The models estimated below are of the following form:

$$h(t_{ij}; \mathbf{Z}) = h_0(t_{ij}) \exp(\beta \mathbf{Z}_{ij}' + \log v_j),$$

where  $h_0(t_{ij})$  is the baseline hazard,  $j= 1, \dots, J$  is the cluster (country) index,  $i= 1, \dots, N$  is the subject (minister) index, and the frailty term,  $v_j$ , follows a gamma distribution with mean= 1 and variance =  $\theta$ .

<sup>20</sup> The tables include the log of inflation, given the variation in inflation rates, which go from a minimum of -1.17% (Argentina 1999) to a maximum of 11749.64 (Bolivia 1995).

<sup>21</sup> Models in Tables 3–5 include *Polity* scores rather than the *Banks* index because the latter is not available for all country-years and using this variable would mean excluding more than 70 cabinet failures.

<sup>22</sup> An alternative (continuous) measure of decree powers developed by the UNDP is significant and indicates that the possibility of issuing decrees makes the government more *unstable*.

<sup>xxiii</sup> One explanation for this result is that in Latin America finance ministers face more shocks than ministers in other areas, such as foreign affairs, and thus need to be replaced more often.

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