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THE POWER OF GOVERNORS.  
CONCEPTUALIZATION,  
MEASUREMENT, AND  
COMPARATIVE ANALYSIS  
FOR ARGENTINA AND  
BRAZIL

**Lucas González**



UNIVERSIDAD  
NACIONAL DE  
**SAN MARTÍN**

ESCUELA DE POLÍTICA Y GOBIERNO



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# THE POWER OF GOVERNORS. CONCEPTUALIZATION, MEASUREMENT, AND COMPARATIVE ANALYSIS FOR ARGENTINA AND BRAZIL

*by Lucas González<sup>1</sup>*

## Introduction

Governors are relevant actors in most democratic federations and even in some unitarian states. Politically, they are elected officials who have varying degrees of power over regional branches of national parties (or regional parties), politicians, bureaucracies, and public funds. Administratively, and despite variations across cases, a growing percentage of governors deliver essential functions such as basic health and primary education. In the US, governors have historically being powerful actors in the federal political arena and the most visible figures in state politics.<sup>2</sup> They have also increased their policymaking responsibilities across time, especially in education, welfare, and health programs. King and Cohen claim that as a consequence of enhanced policymaking authority and high visibility of governors, “people today hold [them] responsible for the quality of government, public policy, and life in their state.”<sup>3</sup> Governors have also been historically powerful in other developing federations. Several authors have documented a clear trend in Latin America out of which governors (and subnational politicians in general) have been increasing their administrative and fiscal relevance as well as their political power.<sup>4</sup>

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1 Escuela de Política y Gobierno, Universidad Nacional de San Martín.

2 King, J.D. and Cohen, J.E. *What Determines a Governor's Popularity?* *State Politics & Policy Quarterly* 5, 2005, p. 226.

3 *Ibid.*

4 Gibson, E.L. (ed.). *Federalism and Democracy in Latin America*. Baltimore, Johns Hopkins University Press, 2004. Montero, A. P. & Samuels, D.J. (eds.). *Decentralization and Democracy in Latin America*. Notre Dame, University of Notre Dame Press, 2004. Escobar-Lemmon, M. “Fiscal Decentralization and

In some cases, and as a result of distributive conflicts with central authorities, governors brought federal finances to the brink of fiscal collapse and even challenged central authorities to secede. Because of the power governors achieved after the transition to democracy in Brazil, some scholars referred to them as the “barons of the federation”.<sup>5</sup> They were so powerful that a Minister of Economy claimed that they made the country “ungovernable”.<sup>6</sup> More than a few scholars have made similar claims when referring to Argentina’s governors.<sup>7</sup> Several times, the longest standing Minister of Economy of the 1990s publicly accused governors for the country’s macroeconomic mismanagement.<sup>8</sup>

An extreme case in this regard is the Russian federation after the collapse of the Soviet Union. Regional pressures dominated Russian politics from the early- to the mid-1990s.<sup>9</sup> President Boris Yeltsin could not control regional pressures and was unable to resist demands from very strong governors to the point that he was forced to give up fiscal resources, tax autonomy, and new functions to regional leaders. The governors were so powerful that they almost disintegrated the federation. In fact, several regions separated from the Russian Federation after the collapse of the Soviet Union.

Even though several scholars recognize governors’ influence in national politics, and despite the fact that many of them consider that we need to understand regional politics in order to grasp political dynamics in the federal arena, we have little conceptual understanding and measurements on the actual power of governors. How can we define and measure gubernatorial

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Federalism in Latin America”. *Publius The Journal of Federalism* Nº 31, 2001, pp. 23-41. González, L. “Political Power, Fiscal Crises, and Decentralization in Latin America: Federal Countries in Comparative Perspective (and some Contrasts with Unitary Cases),” *Publius: The Journal of Federalism* Nº 38, 2008, pp. 211-247. Falleti, T. *Decentralization and Subnational Politics in Latin America*. Cambridge, Cambridge University Press, 2010.

5 Abrucio, F. L. *Os Barões da Federação: Os Governadores e a Redemocratização Brasileira*. São Paulo, Coleção Comentário, USP, 1998.

6 Couto, C. G. “A Longa Constituinte: Reforma do Estado e Fluidez Institucional no Brasil,” *Dados* Nº 41, 1998. Consultado en septiembre de 2012 en: [http://www.scielo.br/scielo.php?script=sci\\_arttext&pid=S0011-52581998000100002](http://www.scielo.br/scielo.php?script=sci_arttext&pid=S0011-52581998000100002)

7 Jones, M. P., Saiegh, S., Spiller, P. T. et alii. “Amateur Legislators-Professional Politicians: The Consequences of Party-Centered Electoral Rules in a Federal System”, *American Journal of Political Science*, Nº 46, 2002, pp. 656-669. Tommasi, M., Saiegh, S. & Sanguinetti, P. “Fiscal Federalism in Argentina: Policies, Politics, and Institutional Reform”, *Economía*, Spring 2001, pp. 157-211. De Luca, M., Jones, M. P. & Tula, M.I. “Back Rooms or Ballot Boxes? Candidate Nomination in Argentina”, *Comparative Political Studies* Nº 35, 2002, pp. 413-436.

8 A Brazilian newspaper asked Domingo Cavallo what was his biggest mistake in commanding the Argentine economy during the critical year of 2001. He replied “I should have been more emphatic in denouncing the governors as responsible for the Argentine debacle”. (FSP, “Cavallo elogia Brasil, mas vê ‘debilidade’”, August 31, 2005).

9 Alexander, J. “Federal Reforms in Russia: Putin’s Challenge to the Republics”, *Demokratizatsiya* Nº 12, 2004, p. 235.

power? Can we compare relative gubernatorial power across federations? If so, can we explain changes in the power of governors across time? What are the consequences of increased gubernatorial power?

The first contribution of this work is conceptual. I discuss the theoretical US literature on gubernatorial power, adjust a definition to compare other cases, and apply it to Latin American federations.

The second contribution is empirical and fundamentally descriptive. Relying on a quantitative analysis, I examine recent trends in gubernatorial power in Argentina and Brazil, two cases in which governors are thought to be among the most powerful in the world, and show sharp variation between the cases over time. Finally, I provide some fresh empirical evidence on the determinants of changes in gubernatorial partisan power using original data from two cases that the comparative literature has not sufficiently addressed. Studying gubernatorial power in developing federal democracies is also a way to partially understand the dynamics and the distribution of their political power within these states. In most of the cases, we do not have a long time series to explore the determinants of presidential power (Argentina transitioned to democracy in 1983 and Brazil in 1985). However, studying gubernatorial power allows us to multiply the number of cases, control for some variables, and examine the role of public spending in consolidating regional executives. I review the main findings and their implications for the comparative literature in the conclusion.

## **The Literature on Gubernatorial Power**

Since the seminal article by Schlesinger in 1965, several scholars have debated the main components and the best indicators to measure the power of governors in the United States. Some of these specialists stress two main dimensions: gubernatorial institutional powers and gubernatorial enabling resources.<sup>10</sup> Gubernatorial institutional power, as measured by Schlesinger, is composed by tenure power (length of term in office and eligibility to serve successive terms); budget power (degree of direct gubernatorial control in preparing the budget); appointment power (extent of control over appointment ranging from no outside approval needed to independently elected officials); and veto power (combination of item veto

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<sup>10</sup> Beyle, T. L. "Governors," in Gray, V., Hanson R. & Jacob H. (eds.): *Politics in the American States: A Comparative Analysis*, Boston, Little Brown, 1990. Dilger, R. J., Krause, G. A. & Moffett, R. R. "State Legislative Professionalism and Gubernatorial Effectiveness, 1978-1991", *Legislative Studies Quarterly* Nº 20, 1995, pp. 553-571.

privileges and votes needed to override veto).<sup>11</sup> Beyle developed an index on gubernatorial powers based on some of the dimensions stressed by Schlesinger, but also including legislative budget-changing authority and political party strength in the state legislature.<sup>12</sup> Gubernatorial-enabling resources include the number of gubernatorial staff per state government employee, the amount of gubernatorial fiscal support per state government employee, and the governor's appointment and removal powers over state agency heads.<sup>13</sup>

Others concentrate on governors' informal powers such as personal resources (for instance, charisma and persuasion instead of immediately quantifiable dimensions).<sup>14</sup> The public's assessment of a governor's job performance is another fundamental aspect of state executives' informal powers.<sup>15</sup> Dilger et al. also associate the power of the governor with the professionalism of the state legislature, which is the legislature's capacity to engage in the policy-making process with expertise, seriousness, and effort that is comparable to other actors in that process. Most of the indices that measure this concept include variables to account for differences in legislative pay, staff, and session length.<sup>16</sup>

## Discussions on Gubernatorial Power in Latin America

No scholar has, to my best knowledge, empirically measured gubernatorial power in Latin America, although many have studied and analyzed it conceptually. A large number of studies address a notion of gubernatorial power or study governors' relevance in the political system from a historical perspective.<sup>17</sup> Some scholars examine the power bases of regional and local political

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11 Schlesinger, J. A. "The Politics of the Executive", in Jacob, H. & Vines, K.N. (eds.): *Politics in the American States*. Boston, Little Brown, 1965, quoted in Mueller, K. J. "Explaining Variation and Change in Gubernatorial Powers, 1960-1982", *The Western Political Quarterly* N° 38, 1985, p. 424.

12 Beyle.

13 Dilger et al. 1995, p. 560.

14 Bernick, E.L. "Gubernatorial Tools: Formal vs. Informal" *The Journal of Politics* N° 41, 1979, pp. 656-664. Dometrius, N.C. "Changing Gubernatorial Power: The Measure vs. Reality", *The Western Political Quarterly* N° 40, 1987, pp. 319-328. Mueller, 1985; Mueller, K.J. "[Changing Gubernatorial Power: The Measure vs. Reality]: A Rejoinder", *The Western Political Quarterly* N° 40, 1987, pp. 329-331.

15 Beyle; King and Cohen.

16 Dilger et al. 1995, p. 559.

17 See, among them, Pírez, P. *Coparticipación Federal y Descentralización del Estado*. Buenos Aires, Centro Editor de América Latina, 1986. Carmagnani, M. (ed.). *Federalismos Latinoamericanos: México/Brasil/Argentina*, México, Fondo de Cultura Económica, 1993. Chiaramonte, J.C. "El Federalismo Argentino en la Primera Mitad del Siglo XIX", in Carmagnani; Love, J. "Federalismo y Regionalismo en Brazil, 1889-1937", in Carmagnani; Carvalho, J. M. de. "El Federalismo Brasileño: Perspectiva

elites, particularly in developing interior districts.<sup>18</sup> Despite the relevance of this literature, most studies focus on one or few cases and none of them empirically measure gubernatorial power in the federation.

Yet another group of studies narrow in on different dimensions of governors' power from an institutional perspective. Some stress that the presidential system, the federal structure, and electoral laws, particularly the open-lists proportional representation system, configure a centrifugal political system in which regional units, and particularly the governors, are clearly favored at the expense of the central government's capacity to govern.<sup>19</sup> This is mainly the case because governors control resources and influence career prospects for federal legislators while presidents do not have that degree of control over either of them.<sup>20</sup>

In the case of Argentina, several authors claim that governors are powerful due to their capacity to control critical institutional and partisan resources. These resources range from the ability to nominate candidates in

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Histórica", in Hernández Chávez, A. (ed.): *Hacia un Nuevo Federalismo?* Mexico, Fondo de Cultura Económica, 1996; Hagopian, F. *Traditional Politics and Regime Change in Brazil*. Cambridge, Cambridge University Press, 1996. Souza, C. *Constitutional Engineering in Brazil. The Politics of Federalism and Decentralisation*. London, MacMillan, 1997. Abrucio; Kugelmas, E. "A Evolução Recente do Regime Federativo no Brasil", in Hofmeister, W. & Carneiro, J.M.B. (eds.): *Federalismo na Alemanha e no Brasil*. São Paulo, Konrad Adenauer Stiftung, 2001. Eaton, K. *Politics Beyond the Capital: The Design of Subnational Institutions in South America*. Stanford, Stanford University Press, 2004; Gibson, E.L. & Falletti, T. "Unity by the Stick: Regional Conflict and the Origins of Argentine Federalism", in Gibson, E.L. (ed.): *Federalism and Democracy in Latin America*. Baltimore, Johns Hopkins University Press, 2004.

18 Faoro, R. *Os Donos do Poder. Formação do Patronato Político Brasileiro*. Porto Alegre: Editora Globo, 1979; Nunes Leal, V. *Coronelismo Enxada e Voto: o Município e o Regime Representativo no Brasil*. Rio de Janeiro, Nova Fronteira, 1997. Sawers, L. *The Other Argentina: The Interior and National Development*. Boulder, Westview Press, 1996. Macor, D. & Teach, C. *La Invencción del Peronismo en el Interior del País*. Santa Fe, Universidad Nacional del Litoral, 2003.

19 Mainwaring, S. "Multipartyism, Robust Federalism, and Presidentialism in Brazil", in Mainwaring, S. & Shugart, M.: *Presidentialism and Democracy in Latin America*. Cambridge, in Cambridge University Press, 1997); Mainwaring, S. *Rethinking Party Systems in the Third Wave of Democratization: The Case of Brazil*. (Stanford, Stanford University Press, 1999); Samuels, D.J. *Ambition, Federalism, and Legislative Politics in Brazil*. (Cambridge, Cambridge University Press, 2003). Ames, B. *The Deadlock of Democracy in Brazil. Interests, Identities, and Institutions in Comparative Politics*. Ann Arbor, University of Michigan Press, 2001. Samuels, D.J. & Mainwaring, S. "Strong Federalism, Constraints on the Central Government, and Economic Reform in Brazil", in Gibson, 2004.

20 Cheibub and Limongi claim that, despite the centrifugal characteristics of Brazilian institutional configurations, presidents have governed and have been able to pass reforms relying on relatively disciplined federal legislators and broad coalitions in Congress. Cheibub, J.A. & Limongi F. "Democratic Institutions and Regime Survival: Parliamentary and Presidential Democracies Reconsidered", *Annual Review of Political Science* Nº 5, 2002, pp. 151-79. See also Figueiredo, A.C. & Limongi, F. "Presidential Powers, Legislative Organization, and Party Behavior in Brazil", *Comparative Politics* Nº 32, 2000, pp. 151-170. For these authors, the characteristics of the decision-making process –the legislative powers of the president and the centralized legislative organization in Congress– are more important determinants of what the government actually does than the federal configuration, the party system, or the electoral laws Cheibub and Limongi, 2002, p.167.

the parties' lists,<sup>21</sup> to implementation of electoral reforms to augment their parties' control of local legislatures and limit the emergence of challengers<sup>22</sup> and use of provincial spending at their discretion to achieve reelection.<sup>23</sup>

Despite the large predominance of historical and institutional accounts, other scholars explore alternative theoretical perspectives. Falleti and Melo analyze governors' preferences from a rational theoretical perspective, particularly regarding fiscal issues (see discussion below), but they do not directly associate this with gubernatorial power.<sup>24</sup> Others explore the political stability of sub-national elites through their ability to remain in office, linking it to the access incumbent governors have to federal resources to finance their local political machines.<sup>25</sup> González and Olmeda explore different forms of gubernatorial coordination to solve collective action problems, which, according to the authors, notably increase the governors' political power in the federation, especially in relation to the federal executive.<sup>26</sup> Yet again, none of the aforementioned works empirically study changes in gubernatorial power across cases and over time.

Therefore, while the existing literature tends to agree on the political relevance of governors in federal politics and that diverse federal institutions have an effect on gubernatorial power and the overall governability of the federation, it lacks conceptual precision in some cases and empirical measurements in most works. Instead of relying on aggregate institutional variables to impute gubernatorial (or presidential) power, this study makes an effort to conceptualize and empirically measure it across states and time.

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21 De Luca *et al.*; Jones *et al.*; Jones, M.P. "Explaining the High Level of Party Discipline in the Argentine Chamber of Deputies", in Scott Morgenstern and Benito Nacif (eds.): *Legislative Politics in Latin America*. New York, Cambridge University Press, 2002.

22 Calvo, E. & Micozzi, J.P. "The Governor's Backyard: A Seat-Vote Model of Electoral Reform for Sub-national Multiparty Races", *The Journal of Politics* Nº 67, 2005, p.1052.

23 Lodola, G. *The Politics of Subnational Coalition Building. Gubernatorial Redistributive Strategies in Argentina and Brazil*, unpublished doctoral dissertation. Pittsburgh, University of Pittsburgh, PA, 2010.

24 Falleti, 2010; Melo, M.A. *As Reformas Constitucionais no Brasil: Instituições Políticas e Processo Decisório*. Rio de Janeiro, Revan, 2002.

25 Gibson, E.L. & Calvo, E. "Federalism and Low-Maintenance Constituencies: Territorial Dimensions of Economic Reform in Argentina", *Studies in Comparative International Development* Nº 35, 2000, pp. 32-55. Remmer, K.L. & Wibbels, E. "The Subnational Politics of Economic Adjustment", *Comparative Political Studies* Nº 33, 2000, pp. 419-451. Calvo, E. & Murillo, M.V. "Who Delivers? Partisan Clients in the Argentine Electoral Market", *American Journal of Political Science* Nº 48, 2004, pp. 742-757. Jones *et al.*; Benton, A. "What Makes Strong Federalism Seem Weak? Fiscal Resources and Presidential-Provincial Relations in Argentina", *Publius: The Journal of Federalism* Nº 39, 2008, pp. 651-676; Lodola.

26 González, L. *Primus Contra Pares. Presidents, Governors, and the Struggles over the Distribution of Power in Federal Democracies*, unpublished doctoral dissertation, University of Notre Dame, Notre Dame, 2010. Olmeda, J.C. "De Menem a Kirchner: Relaciones Intergubernamentales y Patronos de Negociación en el Federalismo Fiscal Argentino", in Falleti, T. González, L. & Lardone, M. *El Federalismo Argentino en Perspectiva Comparada*, forthcoming.



## Gubernatorial Power

Following the previous discussion, we can argue that gubernatorial power encompasses three main dimensions with their specific makeup as outlined below.<sup>27</sup>

Gubernatorial Institutional Powers: a) governor's tenure potential; b) governor's agenda setting powers; c) governor's legislative power (decree power, exclusive initiative, emergency powers, and total veto and partial veto power) or gubernatorial power over the budget (or the authority of the legislature to alter the budget request); d) governor's control over the provincial/state public administration and capacity to distribute public employment.

Gubernatorial Partisan Powers: a) the power of governors in their districts (the electoral support—share of votes—for the governor and whether the main party in the legislature is the party of the governor); b) whether the governor and the president are from the same party or coalition.

Gubernatorial influence over federal politics: a) existence of coordination mechanisms among governors (Gonzalez, 2010); b) existence of more or less formal institutions representing states and provinces (such as the US National Governors Association or federal councils).

As shown, the first relevant dimension in the power of governors is their institutional powers.<sup>28</sup> But in addition to the institutional dimension, the power of governors also depends on the partisan control they have over the legislature in terms of control of legislative seats. The control over the legislature is crucial, first, in order to have political support over legislation and reforms promoted by the state executive, and second, in order to neutralize control mechanisms that the state legislature can exert over the governor. Political control over the judiciary and the state bureaucracy, although not taken into consideration in this work mainly due to the lack of systematic and comparable data, can also be important dimensions for the analysis.<sup>29</sup> Control over these institutions and organizations without the need of oversight of other relevant institutions increases gubernatorial leverage over decisions

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27 The popularity of governors is also an important factor, but there are serious empirical shortcomings to explore this dimension, as there is very little data available.

28 Schlesinger. See also Pereira, A.R. "Sob a Ótica da Delegação, Governadores e Assembléias no Brasil pós-1989", in Santos, F. (ed.): *O Poder Legislativo nos Estados: Diversidade e Convergência*. São Paulo, FGV Editora, 2001 and Corbacho, A.L. "Reformas Constitucionales y Modelos de Decisión en la Democracia Argentina, 1984-1994", *Desarrollo Económico* N° 37, 1998, pp. 591-616. This discussion is based on the literature on presidential institutional or legislative powers. See: Shugart, M. & Carey, J. *Presidents and Assemblies: Constitutional Design and Electoral Dynamics*. Cambridge, Cambridge University Press, 1992. Mainwaring, S. & Shugart, M. *Presidentialism and Democracy in Latin America*. Cambridge, Cambridge University Press, 1997.

29 Abrucio, 1999, for instance, analyzes these dimensions in an historical perspective in Brazil.

and actions (O'Donnell calls this horizontal accountability).<sup>30</sup> In the literature on American states, the political control over the legislature and the judiciary is not considered critical, as the institutional separation of powers is, in general, taken for granted.

In sum, I consider that governors are more powerful when they have greater institutional and political control over their states, and when they exert greater influence over national/federal politics (they can better coordinate against the central government). The first and second components –the institutional and partisan dimensions– define the power of governors in their districts; the third component represents the influence they can exert over federal politics.

## Gubernatorial Institutional Power

Having introduced the theoretical discussion, I now present an empirical analysis of the main institutional and partisan dimensions of gubernatorial power in Argentina and Brazil. There is substantial variation in some of the institutional dimensions between the two cases but little change in others. For instance, gubernatorial tenure potential in Argentina ranges from immediate reelection in some provinces to indefinite reelection in others. Provinces decide this autonomously. In Brazil, all governors are allowed to run for one reelection only. Hence, I included a tenure variable only for Argentina and not for Brazil, as the latter does not vary over time and across cases.

In relation to governor's legislative power, all state executives in Argentina and Brazil have total and partial veto power. The main differences across states and provinces are in the time limits to issue a gubernatorial veto, the time limit the legislature has to override it, and the majority required to do so.<sup>31</sup>

All governors in Brazil have exclusive initiative in taxing, budgetary, financial, and administrative matters. Moreover, all of them have emergency powers (all governors can request urgent consideration of a legislative matter).<sup>32</sup> In Argentina, most provincial constitutions limit the areas of exclusive initiative to the proposal of the budget bill and the signature of international treaties.<sup>33</sup>

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30 O'Donnell, G. "Delegative Democracy", *Journal of Democracy* Nº 5, 1994, pp. 55-69.

31 Carrizo, C. & Galván C. "Presidencialismo y Diseño Institucional: Los Poderes Legislativos de los Gobernadores Argentinos". Paper delivered at the VI ALACIP Congress, Quito, Ecuador, June 12-14, 2012, p.11. Pereira, 2001, p.259.

32 *The main differences among states are in the time limits to vote on the urgent matter.* Pereira, 2001, p. 261.

33 In some provinces, the areas of exclusive initiative are more extended, such as in Rio Negro, San Juan, Santiago del Estero, Tierra del Fuego, and San Luis (see Carrizo and Galván, 2012, p. 12).

In relation to emergency powers, only five Argentine governors can request urgent consideration of a bill to the legislature.<sup>34</sup>

In relation to decree power, only 8 Argentine governors (out of 24) can issue “necessity and urgency decrees”.<sup>35</sup> Brazilian governors have two main instruments: a form of decree power (called *Medida Provisória*, MP) that requires legislative approval after the governor issues it, and a delegated decree power (*Lei Delegada*, LD), by which the state assembly delegates legislative power to the state executive in some specific areas (excluding those of legislative and judiciary exclusive authority). Few states have MPs (Acre, Piauí, Santa Catarina, and Tocantins) and most states have LDs.<sup>36</sup> This is the only aspect, out of the five legislative dimensions of institutional power analyzed in which there is some variation across states in Brazil.

I elaborated an index of gubernatorial institutional power for which I coded with a 1 if any of these five legislative institutional dimensions is present (total veto, partial veto, exclusive initiative, emergency powers, and decree power), and 0 otherwise. In Brazil, I divided decree power into MP and LD (coding each of them as 0.5 when it is present in a given constitution, 0 otherwise) (See Tables 1 and 2). The average value in Brazil is 2.65 and the standard deviation is 0.16. In Argentina, the average is 1.65, and the standard deviation is 0.56.

**Table 1: Gubernatorial Institutional Power in Argentina**

Province	Total veto	Partial veto	Exclusive initiative	Emergency powers	Decree power	Govinst-power
Buenos Aires	1	1	0	0	0	2
Capital Federal	1	1	0	0	1	3
Catamarca	1	1	0	0	0	2
Chaco	1	1	0	1	0	3
Chubut	1	1	0	1	1	4
Córdoba	1	1	0	0	0	2
Corrientes	1	1	0	0	0	2
Entre Ríos	1	1	0	0	0	2
Formosa	1	1	0	0	0	2
Jujuy	1	1	0	0	0	2

<sup>34</sup> Carrizo and Galván, 2012, pp.12, 14.

<sup>35</sup> In six cases, the provincial legislature needs to declare emergency and in two others, the provincial constitution regulates specific areas for the use of this instrument (*ibid.*, p.10).

<sup>36</sup> There is some variation in the process and requirements to issue an MP. Pereira, 2001, pp. 261-266.

Province	Total veto	Partial veto	Exclusive initiative	Emergency powers	Decree power	Govinst-power
La Pampa	1	1	0	0	0	2
La Rioja	1	1	0	0	1	3
Mendoza	1	1	0	0	0	2
Misiones	1	1	0	0	0	2
Neuquén	1	1	0	0	0	2
Río Negro	1	1	1	0	1	4
Salta	1	1	0	0	1	3
San Juan	1	1	1	1	1	5
San Luis	1	1	1	1	0	4
Santa Cruz	1	1	0	0	0	2
Santa Fe	1	1	0	0	0	2
S. del Estero	1	1	1	1	1	4
Tierra del Fuego	1	1	1	1	0	4
Tucumán	1	1	0	0	1	3

Table 2: Gubernatorial Institutional Power in Brazil

State	Total veto	Partial veto	Exclusive initiative	Emergency powers	Interim measure	Delegated law	Govinst-power
Acre	1	1	1	1	0.5	0.5	5.0
Alagoas	1	1	1	1	0.0	0.5	4.5
Amapá	1	1	1	1	0.0	0.5	4.5
Amazonas	1	1	1	1	0.0	0.5	4.5
Bahía	1	1	1	1	0.0	0.0	4.0
Ceará	1	1	1	1	0.0	0.5	4.5
Distrito Federal	1	1	1	1	0.0	0	4.0
Espírito Santo	1	1	1	1	0.0	0	4.0
Goiás	1	1	1	1	0.0	0.5	4.5
Maranhão	1	1	1	1	0.0	0.0	4.0
Mato Grosso	1	1	1	1	0.0	0.5	4.5
M. Grosso do Sul	1	1	1	1	0.0	0.5	4.5
Minas Gerais	1	1	1	1	0.0	0.5	4.5
Pará	1	1	1	1	0.0	0.5	4.5

State	Total veto	Partial veto	Exclusive initiative	Emergency powers	Interim measure	Delegated law	Govinst-power
Paraíba	1	1	1	1	0.0	0.5	4.5
Paraná	1	1	1	1	0.0	0.5	4.5
Pernambuco	1	1	1	1	0.0	0.5	4.5
Piauí	1	1	1	1	0.5	0.0	4.5
Rio de Janeiro	1	1	1	1	0.0	0.5	4.5
R. Grande do Norte	1	1	1	1	0.0	0.5	4.5
R. Grande do Sul	1	1	1	1	0.0	0.0	4.0
Rondônia	1	1	1	1	0.0	0.5	4.5
Roraima	1	1	1	1	0.0	0.0	4.0
Santa Catarina	1	1	1	1	0.5	0.5	5.0
São Paulo	1	1	1	1	0.0	0.0	4.0
Sergipe	1	1	1	1	0.0	0.5	4.5
Tocantins	1	1	1	1	0.5	0.5	5.0

Out of the results, we can see that governors in Brazil have more institutional power than in Argentina but there is larger cross-sectional variation in the institutional dimensions of gubernatorial power in the latter than in the former case.

### Gubernatorial Partisan Power

In relation to the partisan power of governors, I constructed an index for Argentina and Brazil composed of two main dimensions: a) the power of governors in their districts (which includes the electoral support –share of votes– for the governor; whether the main party in the legislature is the party of the governor, coded as 1 in case they are the same, 0 otherwise; and the governor’s party share of seats in the state legislature); and b) how politically linked governors are to the federal government (I include a dummy variable for cases in which presidents and governors are in the same governing coalition; coded as 1 in case they are politically allied, 0 otherwise).

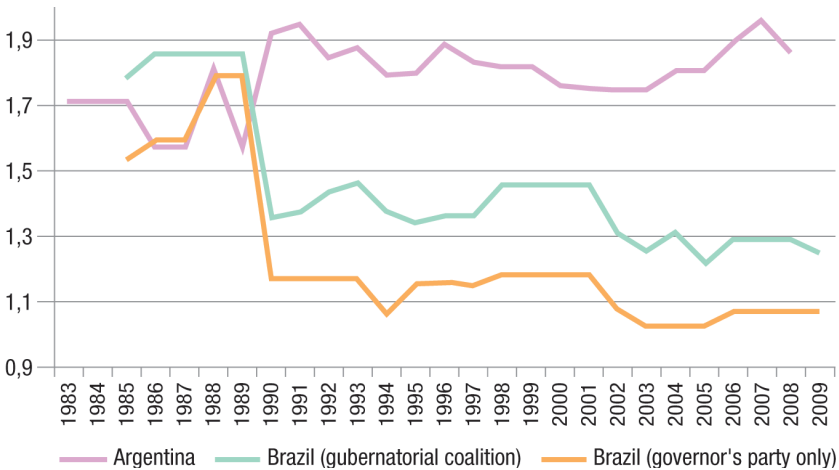
The index is a composite measure of all the aforementioned shares and dummies. Dummies contribute 0.5 points to the index in case they are coded as 1, to balance the effect of each measure.<sup>37</sup> The maximum possible theoretic-

37 I am assuming that a 50% share of votes received by the governor, a 50% share of the seats in the state legislature controlled by the governor’s party, whether the main party in the legislature is the party of the governor, and whether the president and the governor are in the same governing coalition all weight equally in the index.

cal value is 4 but since the dummies are coded 0.5 instead of 1, the maximum possible value is 3; the minimum is 0. I calculated the average value for each year and for all governors and classified the average partisan power of governors (a single measure for each year and each country). The gubernatorial partisan power index is “very high” when values range between 3 and 2; “high,” for values between 2 and 1.6; “medium,” for values between 1.6 and 1.4; “low,” for values between 1.4 and 1; and “very low,” for values less than 1.

According to our scale, the mean value of the gubernatorial partisan power index for Argentina in the 26 years between 1983 and 2007 is high: 1.781; with a minimum value of 0.746 and a maximum value near 2.725. The mean value for Brazil in the 25 years between 1985 and 2009 is medium: 1.348; with a lower minimum (0.41) and lower maximum value (2.62). If we analyze time serial trends, Argentine governors maintained relatively stable high values across time while the index for Brazil has a more erratic trend with an overall declining tendency. These values not only indicate that, on average, governors in Argentina have been more powerful in partisan terms than in Brazil; they also show that gubernatorial partisan power in Argentina has had less dispersion around the mean (the standard deviation is low, 0.390, while values for Brazil are much higher, 0.476). Another important fact to stress is that Argentine governors end the series with a high value (1.861; higher than the historical mean), while their Brazilian counterparts end with a low one (1.293; significantly lower than the historical mean)<sup>38</sup> (See Graph 1).

**Graph 1: Gubernatorial power (yearly average)**



38 These values are based on gubernatorial coalition data. I also analyze data based on the governor's party only.

If we analyze the overall averages for the share of votes and seats, we can confirm similar trends: while Argentine governors increased their share of votes and seats along the period, their Brazilian counterparts did the opposite. Argentine governors marginally increased their average share of votes from 47.79 percent in the period of 1983-1985 to 51.93 during 2002-2008. Their average share of seats remained strikingly stable, increasing only marginally from 56.3 to 56.7 in the same period.

Brazilian governors, on the contrary, decreased their average share of votes from 55.88 percent in the period of 1982-1985, to 50.65 for the years 2003-2009 (the share of votes are the coalition's). Their party's average share of seats shrunk drastically from 58 percent to 19.22 percent while their coalitions share diminished from 58 to 39.26 percent in the same period. The data indicate that Brazilian governors face increasing electoral competition in their districts and that they have reached working majorities by building up governing coalitions in the state legislatures. These facts may be an indication that Abranches's (1988) "coalition presidentialism" has also been taking place at the sub-national level in Brazil.

In sum, the partisan dimension has been subject to more variation across time and states, and (in many cases) within states. The third dimension as presented in the theoretical discussion, the governors' capacity to coordinate and influence national politics, has also changed over time. Some scholars have claimed that this dimension has been crucial in altering the balance of power in favor of sub-national units.<sup>39</sup> Despite its relevance, it has been studied in comparative historical frameworks<sup>40</sup> and we still lack indicators and data to compare cases across time.

## **The Institutional and Partisan Dimensions, Combined**

Following the theoretical discussion, I combined the two dimensions (institutional and partisan) into a single index of gubernatorial power. To do this, I rescaled the institutional components into a 0-3 scale. Here I assume that an institutionally powerful governor (scoring 1 in all the dimensions) equals to a powerful governor in partisan terms (scoring a maximum of 3).

I run a test of internal consistency between the institutional and partisan dimensions to estimate the reliability of the combined index. The value of Cronbach's alpha for Argentina is 0.0606, indicating very low internal consistency in the index and that the set of items do not measure a single

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39 González, 2010.

40 See, for instance, González, 2010; and Olmeda.

unidimensional latent construct. This value in Brazil is 0.1563, higher than in Argentina, but still very low for usual standards.

Despite the fact that the literature combined these two dimensions at the theoretical level, empirical results for the two cases are indicating that they are not part of a single theoretical construct, and that we should treat and analyze them separately. That is exactly what I do. Furthermore, and due to the very low variation in the institutional dimensions over time and within cases, I mainly concentrate in exploring possible causes of changes in the partisan dimension. Having done this, I then make some references to how capable the different models are in explaining changes in the institutional variables (and in a combined index of both).

### **Explaining Changes in Gubernatorial Partisan Support**

Is it possible to identify some systematic factors that could explain changes in gubernatorial partisan power in Argentina and Brazil? Would it be possible to account for the diverging trends between the two cases? The literature on the topic does not systematically research the determinants of changes in the partisan power of governors and less so examine the divergence of the trends between the two cases. Despite this, there have been numerous arguments and debates on which are the main factors affecting the share of votes governors get during election times.

### **The Political Economy of Gubernatorial Support: Public Spending and Employment**

Several scholars have stressed the relevance of public spending (in general, and social spending or discretionary transfers in particular) in affecting gubernatorial elections. Most of the literature agrees that more funds at the provincial level tend to increase governors' electoral support and their reelection prospects, whether these funds are used for provincial patronage, pork-barrel,<sup>41</sup> clientelism (or vote buying),<sup>42</sup> or local campaign spending.<sup>43</sup> Some recent works on Brazil

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41 Calvo and Murillo; Lodola; Remmer, K.L. "The Political Economy of Patronage: Expenditure Patterns in the Argentine Provinces, 1983–2003", *The Journal of Politics* N° 69, 2007, pp. 363–377.

42 Brusco, V., Nazareno, M. & Stokes, S.C. "Vote Buying in Argentina", *Latin American Research Review* N° 39, 2004, pp. 66-88.

43 Pattie, C.J., Johnston, R.J. & Fieldhouse, E.A. "Winning the Local Vote: The Effectiveness of Constituency Campaign Spending in Great Britain, 1983-1992", *The American Political Science Review* N° 89, 1995, pp. 969-983.



have stressed the relevance of centralized social spending (in the hands of the president) in the weakening of state governors, particularly by reducing the distribution of patronage by local machines.<sup>44</sup> The assumption behind these works is that public spending (in the form of social programs, patronage, or clientelism) is crucial in crafting political support for either the president or governors.

The role of public employment is less clear. Some scholars argue that increased gubernatorial staff and professionalism in the state legislative would increase gubernatorial power.<sup>45</sup> But others claim that fiscal irresponsibility should diminish gubernatorial votes, as citizens tend to penalize fiscal mismanagement.<sup>46</sup> In this same line of reasoning, Melo argues that in Brazil during the late 1980s and early 1990s, an important part of the economic establishment, the mass-media, and a portion of public opinion saw governors as one of the key actors responsible for the previous hyperinflationary spiral and fiscal profligacy.<sup>47</sup> A key implication of this claim is that fiscal prudence represented a major demand from vast sectors of the population that would result in larger electoral support. Similarly, Souza contends that, during the 1990s, different governors in Brazil embraced fiscal adjustment (a policy sponsored by the central government) and that several of them were reelected despite these restrictive policies.<sup>48</sup> The fact that there is a correlation between fiscal adjustment and reelection does not necessarily mean that the two are causally connected. I empirically assess these claims for both cases by including fiscal variables: provincial budget balance, total state debt, total state spending, state social spending, state spending in public employment, and number of state employees (See Variables' Description and Data Sources).

## Political Determinants: Party System Variables and Partisan Links

Several scholars claim that the degree of partisan fragmentation and nationalization at the federal level may affect provincial electoral politics<sup>49</sup> and the

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44 Fenwick, T.B. "Avoiding Governors. The Success of Bolsa Família", *Latin American Research Review* 44, 2009, pp. 102-131; Borges, A. "The Political Consequences of Center-Led Redistribution in Brazilian Federalism. The Fall of Subnational Party Machines", *Latin American Research Review* 46, 2011, pp. 21-45.

45 Bernick; Dometrius; Mueller, 1985, 1987. Dilger *et al.*

46 Peltzman, S. "Voters as Fiscal Conservatives", *Quarterly Journal of Economics* 107, 1992, pp. 329-61; Lowry, R., Alt, J.E. & Ferree, K.E. "Fiscal Policy Outcomes and Electoral Accountability in American States", *American Political Science Review* N° 92, 1998, pp. 759-74.

47 Melo, 2002, p. 49.

48 Souza, C. "Instituições Políticas Estaduais em um Contexto Federativo: Coalizões Eleitorais e Ajuste Fiscal", in Souza, C. & Dantas Neto, P. (eds.): *Governo, Elites Políticas e Políticas Públicas nos Estados Brasileiros*. Rio de Janeiro, Revan, 2006.

49 Escolar, M. & Calvo, E. *La Nueva Política de Partidos en la Argentina*. Buenos Aires, Prometeo,

capacity of subnational leaders to form legislative coalitions in their legislatures. For Coppedge and Mejía, conventional wisdom argues that the lower the number of parties and the larger the government's majority in Congress, the lower the transaction costs for the federal or provincial executives, which imply more partisan power.<sup>50</sup> Hence, we should expect that a lower state or provincial party system fragmentation will be associated to more gubernatorial partisan power.

Several scholars working on gubernatorial power in the US argue that subnational elections are driven by national political forces. One of the most consistent findings in this literature is that the incumbent president's popularity has significant influence on gubernatorial elections.<sup>51</sup> I will empirically check whether presidential popularity has an independent effect on the partisan power of governors in Argentina and Brazil.

### Control Variables: Economic and Individual Level Determinants

Early works on the topic have stressed the importance of economic factors in explaining gubernatorial reelection or gubernatorial popularity. Part of the debate in this literature has focused on whether national economic indicators,<sup>52</sup> state economic indicators,<sup>53</sup> or both of these factors influence gubernatorial

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2005. Leiras, M. *Todos los Caballos del Rey: la Integración de los Partidos Políticos y el Gobierno Democrático de la Argentina, 1995-2003*. Buenos Aires, Prometeo-Pent, 2007. Escolar, M. & Castro, L. "Desnacionalización política y Diferenciación Geográfica del Voto. El Caso Argentino 1983-1995-2007". Paper delivered at the X Congreso Nacional de la Sociedad Argentina de Análisis Político, Córdoba, July 27-30, 2011.

50 Coppedge, M. & Mejía, A. "Political Determinants of Fiscal Discipline in Latin America, 1979-1998", Paper prepared for the LASA Congress, Washington DC, 2001, pp.5-6.

51 Atkeson, L.R. & Partin, R.W. "Economic and Referendum Voting: A Comparison of Gubernatorial and Senatorial Elections", *American Political Science Review* N° 89, 1995, pp. 99-107. Carsey, T.M. & Wright, G.C. "State and National Factors in Gubernatorial and Senatorial Elections", *American Journal of Political Science* N° 42, 1998, pp. 994-1002. Holbrook-Provow, T. M. "National Factors in Gubernatorial Elections", *American Politics Research* N° 15, 1987, pp. 471-483. King, J. D. "Incumbent Popularity and Vote Choice in Gubernatorial Elections", *Journal of Politics* N° 63, 2001, pp. 585-597. Niemi, R., Stanley, H. & Vogel, R. "State Economies and State Taxes: Do Voters Hold Governors Accountable?", *American Journal of Political Science* N° 39, 1995, pp. 936-57. Piereson, J. E. "Presidential Popularity and Midterm Voting at Different Electoral Levels", *American Journal of Political Science* N° 19, 1975, pp. 683-694. See King and Cohen, 2005, p.227, for a review.

52 Peltzman, S. "Economic Conditions and Gubernatorial Elections", *American Economic Review* N° 77, 1987, pp. 293-97. Chubb, J.E. "Institutions, the Economy, and the Dynamics of State Elections", *American Political Science Review* 82, 1988, pp. 133-54. Kone, S.L. & Winters, R.F. "Taxes and Voting: Electoral Retribution in the American States", *Journal of Politics* N° 55, 1993, pp. 22-40. Niemi & Vogel; Crew, R.E. Jr. & Weiher, G.R. "Gubernatorial Popularity in Three States: A Preliminary Model", *Social Science Journal* N° 33, 1996, pp. 39-55. Orth, D. A. "Accountability in a Federal System: The Governor, the President, and Economic Expectations", *State Politics and Policy Quarterly* N° 1, 2001, pp. 412-432. Benton.

53 Besley, T. & Case, A. "Does Electoral Accountability Affect Economic Policy Choices? Evidence from Gubernatorial Term Limits", *Quarterly Journal of Economics* N° 110, 1995, pp. 769-98. Niemi & Vogel;

torial popularity.<sup>54</sup> In addition to economic indicators, we can also take into consideration the unemployment rate in the district<sup>55</sup> and the share of poor households in relation to the total population of the province or the income level of the voters<sup>56</sup> to account for their effect over gubernatorial power.

Other scholars recognize the role of subjective evaluations on the state and national economy,<sup>57</sup> candidates and parties,<sup>58</sup> and the attributed charisma and personal trust<sup>59</sup> of the leader on presidential and gubernatorial elections. Despite the potential relevance of these variables in explaining electoral results, we do not have comparative time serial data on gubernatorial support from public opinion (these data is only available for some relatively recent elections in major districts) or data on candidates' charisma or trust.

This paper intends to empirically assess some of these theoretical claims on the determinants of gubernatorial partisan support. Instead of only trying to explain gubernatorial reelection or changes in the number and share of votes, I also explore the determinants on changes in composite measure of electoral and parliamentary support, using the index of gubernatorial partisan power.

## Explaining Stability and Change in Political Support

I also try to account for the diverging trends in gubernatorial partisan power in Argentina and Brazil; that is, its relative stability in the former and the changes, or the relative decrease over time, in the latter. Part of the literature argues that employment in the public sector can generate stable political

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Lowry *et al.*; Hansen, S.B. "Life Is Not Fair": Governors' Job Performance Ratings and State Economies", *Political Research Quarterly* Nº 52, 1999, pp. 167-188. MacDonald, J.A. & Sigelman, L. "Public Assessments of Gubernatorial Performance: A Comparative State Analysis", *American Politics Quarterly* Nº 27, 1999, pp. 201-215. Barth, J. & Ferguson, M.R. "American Governors and Their Constituents: The Relationship between Gubernatorial Personality and Public Approval", *State Politics and Policy Quarterly* Nº 2, 2002, pp. 268-282.

54 King & Cohen. *A large literature on the effects of national economic conditions* (Florina, M. *Retropective Voting in American National Elections*, New Haven: Yale University Press, 1981). See Erikson, R. S. "Economic Conditions and the Presidential Vote", *The American Political Science Review* 83, pp.1989, pp. 567-573, for a review, state economic conditions (Holbrook-Provow) or personal financial circumstances (Markus, G.B. "The Impact of Personal and National Economic Conditions on the Presidential Vote: A Pooled Cross-Sectional Analysis", *American Journal of Political Science* 32, 1988, pp. 137-154) on the presidential vote can be adapted to study governor's power.

55 King and Cohen.

56 Brusco *et al.*

57 Carsey and Wright.

58 Stein, R. "Economic Voting for Governor and U.S. Senator: The Electoral Consequences of Federalism", *The Journal of Politics* 52, 1990, pp. 29-53.

59 Pillai, R., Williams, E., Lowe, K. & Jung, D. "Personality, Transformational Leadership, Trust, and the 2000 U.S. Presidential Vote", *The Leadership Quarterly* 14, 2003, pp. 161-192.

electoral exchanges between politicians and voters. According to Robinson and Verdier, public employment “ties the continuation utility of a voter to the political success of a particular politician”.<sup>60</sup> A public job is a credible and selective way of transferring rents to specific voters and it has the additional advantage that it can be withdrawn as a punishment if support is not observed (it is reversible).

Magaloni *et al.* also suggest that in using public jobs in exchange for political support “a party can identify voters individually, screen between supporters and opponents, and invest only in those core constituencies that will support it with certainty”.<sup>61</sup> Other forms of public investment, such as public works, “do not fully solve the commitment problem” because “once the party transfers a public good to a locality, it cannot be certain that all voters, especially those who prefer the opposition on ideological grounds, will comply with their part of the exchange. And once delivered, a public good cannot be withdrawn”. Therefore, public goods are always riskier than private outlays.<sup>62</sup> When do politicians invest in public good provision? According to the authors, this investment is more likely when political competition increases. For them, “holding development levels constant, political competition induces politicians to invest more in public good provision in an attempt to cater to wider and more heterogeneous electorates”.<sup>63</sup>

Following these arguments, the main hypothesis is that more public employment expenditure and less political competition should contribute to explain the relative stability of gubernatorial partisan power in Argentina, while more electoral competition and larger spending in public goods (i.e., public works and spending in health and education) should help account for more instability in gubernatorial partisan power in Brazil. In other words, I expect larger values in gubernatorial partisan power when the per capita state spending in public employment is larger and the effective number of state parties is smaller. To measure stability or change in gubernatorial partisan power I also include a variable indicating the yearly change in the index. I expect these values to be larger (more change) when the effective number of parties increases and when per capita state spending in public employment declines (or per capita spending in public goods increases).

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60 Robinson, J. & Verdier, T. *The Political Economy of Clientelism*. Working Paper 3205, Centre for Economic Policy Research, 2002, pp. 1-2.

61 Magaloni, B., Díaz-Cayeros, A. & Estévez, F. “Clientelism and Portfolio Diversification: A Model of Electoral Investment with Application to Mexico”, in Kitschelt, H. & Wilkinson, S. I. *Patrons or Policies? Patterns of Democratic Accountability and Political Competition*. Cambridge, Cambridge University Press, 2007, p.183.

62 *Ibid.*, p.185.

63 *Ibid.*, pp.192, 195.

## Data and Methods

I use two original databases on provincial and state level data: one for the 24 provinces in Argentina (23 provinces and the federal capital) and another for the 27 states in Brazil, for the years between 1983/1985 and 2008/2009. The number of observations oscillates between 147 and 243 (according to the models and due to missing data).

I test the effects of the different models, first, using ordinary least square (OLS) regressions. Because the data are cross sectional and time serial, I also run an OLS regression with panel corrected standard errors (PCSE).

## Empirical Findings

The empirical findings substantially support different claims for gubernatorial partisan power in Argentina and Brazil. Results for OLS and PCSE are basically identical, so I report only the latter.

**Table 3: Model 1. Public Spending and Gubernatorial Partisan Power in Argentina and Brazil (PCSE)**

Dependent Variable: Gubernatorial Partisan Power

	Provincial Public Spending (PCSE)	State Public Spending (PCSE)
Fiscal Balance	***0.000 (0.000)	-0.000 (0.000)
Provincial Debt	***-0.007 (0.002)	0.006 (0.016)
Public Employment (per capita spend.)	**0.197 (0.099)	***-0.001 (0.000)
Total Public Spending (per cap.)	0.000 (0.000)	*** 0.000 (0.000)
Population (ln)	0.041 (0.031)	** 0.060 (0.025)
GDP (per cap., ln)	***-0.528 (0.089)	** -0.215 (0.086)
Poverty	*-0.009 (0.004)	*0.411 (0.238)
Constant	*** 7.0910 (0.790)	*** 0.349 (0.334)
Observations	147	243
R-squared	0.24	0.13

Note: Data for Argentina in the first column; for Brazil in the last column. Standard errors in parentheses. \*significant at 10%; \*\*significant at 5%; \*\*\*significant at 1%.

**Table 4: Model 2 and 3. Partisan Fragmentation, Presidential Popularity, and Gubernatorial Partisan Power in Argentina and Brazil (PCSE)**

Dependent Variable: Gubernatorial Partisan Power

	Partisan Fragmentation	Presidential Popularity	Partisan Fragmentation	Presidential Popularity
Fiscal Balance	*** 0.000 (0.000)	*** 0.000 (0.000)	-0.000 (0.000)	***-0.000 (0.000)
Provincial Debt	***-0.008 (0.002)	***-0.007 (0.002)	-0.000 (0.015)	0.013 (0.015)
ENPv	-0.044 (0.030)		-0.016 (0.020)	
ENPPv	***-0.125 (0.029)		-0.005 (0.012)	
Polarization	*** 0.005 (0.001)		***-0.018 (0.006)	
Volatility	***-0.003 (0.001)		***-0.003 (0.001)	
Presid. Support		***-0.476 (0.181)		*- 0.580 (0.251)
Population (ln)	-0.115 (0.020)	***-0.128 (0.019)	*0.042 (0.022)	**0.039 (0.029)
GGP (per cap., ln)	***-0.354 (0.063)	***-0.360 (0.049)	***-0.136 (0.045)	-0.090 (0.061)
Poverty	0.006 (0.005)	-0.006 (0.005)	**0.337 (0.167)	0.189 (0.246)
Constant	*** 7.222 (0.792)	*** 7.100 (0.641)	***2.097 (0.557)	0.467 (0.402)
Observations	147	147	243	162
R-squared	0.29	0.22	0.08	0.05

Note: Data for Argentina in the first two columns; for Brazil in the last two columns. Standard errors in parentheses. \*significant at 10%; \*\*significant at 5%; \*\*\*significant at 1%.

**Table 5: Model 4. President-Governors Links in Argentina and Brazil (PCSE)**

Dependent Variable: Governor's Share of Votes

	Presid.-Govs. Links (PCSE)	Presid.-Govs. Links (PCSE)
Fiscal Balance	-0.000 (0.000)	-0.000 (0.000)
Provincial Debt	*-0.001 (0.000)	** 0.006 (0.003)
Allied President	*** 0.125 (0.018)	-0.017 (0.024)
Population (ln)	***-0.026 (0.005)	** -0.012 (0.006)

	Presid.-Govs. Links (PCSE)	Presid.-Govs. Links (PCSE)
GDP (per cap., ln)	*** 0.046 (0.006)	0.006 (0.016)
Poverty	** 0.003 (0.000)	*** 0.207 (0.046)
Constant	*** 0.372 (0.079)	***0.564 (0.055)
Observations	161	241
R-squared	0.23	0.12

Note: Data for Argentina in the first column; for Brazil in the last one. Standard errors in parentheses. \*significant at 10%; \*\*significant at 5%; \*\*\*significant at 1%.

**Table 6: Model 5. Changes in Gubernatorial Partisan Power in Argentina and Brazil (PCSE)**

Dependent Variable: Changes in Gubernatorial Partisan Power

	(PCSE)	(PCSE)
Public Employment (per capita spend.)	-0.125 (0.123)	-0.001 (0.000)
Total Public Spending (per cap.)	0.000 (0.001)	0.000 (0.001)
ENPv	0.049 (0.063)	***-0.233 (0.056)
ENPPv	-0.016 (0.041)	-0.044 (0.043)
Population (ln)	-0.033 (0.093)	0.038 (0.088)
GDP (per cap., ln)	0.043 (0.142)	-0.051 (0.295)
Poverty	0.001 (0.006)	-0.119 (0.605)
Constant	0.055 (1.310)	1.856 (1.334)
Observations	96	82
R-squared	0.03	0.24

Note: Data for Argentina in the first two columns; for Brazil in the last two columns. Standard errors in parentheses. \*significant at 10%; \*\*significant at 5%; \*\*\*significant at 1%.

According to regression results, political economy arguments seem relevant in understanding changes in the partisan power of Argentine governors. First, and all else being equal, gubernatorial partisan power is positively related to a fiscally balanced budget and less public debt. The impact of provincial debt on the dependent variable is particularly robust: a \$1,000 average increase in pro-

vincial public debt in a given year produces a decrease of 0.007 in gubernatorial partisan power (or a 0.7 decrease if debt increases \$100,000) (Model 1, Table 3). In Brazil, on the contrary, results indicate that gubernatorial partisan power is not sensitive to fiscal variables. Gubernatorial partisan power in the country is not statistically linked either to a fiscally balanced budget or less public debt (Model 1, Table 3). These results are consistent in the different models.

Second, and controlling for the other variables in the model, more public spending is associated to more gubernatorial partisan power both in Argentina and Brazil. But different types of spending have very distinctive effects in each country. In Argentina, the relation between total public spending and gubernatorial partisan power move in the expected direction but the coefficient is small and statistically insignificant. Nevertheless, the relation between provincial per capita spending in public employment and gubernatorial partisan power is especially robust and significant: a \$1,000 increase in per capita spending in public employment augments gubernatorial partisan power in 0.2 points (Model 1, Table 3) (we get similar results using current spending in general).

In Brazil, total public spending is positively associated to more partisan power in the different models. However, and contrary to what we find in Argentina, a R\$1,000 increase in per capita spending in public employment (or in per capita current spending) decreases gubernatorial partisan power in .001 average (the opposite effect than in Argentina) (Model 1, Table 3). The link between state per capita social spending and gubernatorial partisan power in the Brazilian case is also robust and statistically significant: a R\$1,000 increase in per capita state social spending is positively associated to a 0.001 increase in gubernatorial partisan power.<sup>64</sup>

Federal spending in the district is also a relevant source of gubernatorial partisan power in Argentina. More discretionary federal funds allocated to a province positively affect the partisan power of the governor in the district: a \$1,000 increase in per capita discretionary federal transfers (ATNs) transferred to a given province in a year increases gubernatorial partisan power in 1.2 points. On the contrary, gubernatorial partisan power in Brazil is not sensitive to federal discretionary transfers. The coefficient for this variable is negative, contrary to what we theoretically expected and does not reach the standards of statistical significance.<sup>65</sup>

I could not find significant problems of multicollinearity (variance inflation factor is very low in all models) and heteroskedasticity (I cannot reject the null

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64 Official reports do not include data on "social" spending at the provincial level in Argentina. These results are very similar to Lodola's (2010): he found that patronage (public employment) tends to benefit Argentine (but not Brazilian) governors' reelection prospects (note the different dependent variable), while pork-barrel (infrastructure) benefits Brazilian (but not Argentine) provincial leaders' electoral chances.

65 These results are not reported in a table only for reasons of space.



hypothesis indicating constant variance in the Breusch-Pagan/Cook-Weisberg test for heteroskedasticity). Substantive conclusions remain the same after running a generalized least squares (GLS) regression with random and fixed effects to test the robustness of the results.<sup>66</sup>

Third, party system determinants show rather inconclusive results. The coefficient for provincial party system fragmentation is, as theoretically expected, negative and statistically significant in Argentina,<sup>67</sup> but insignificant in Brazil. Although polarization is negatively associated to less gubernatorial partisan power in Brazil, the effect is the opposite in Argentina (OLS results are not statistically significant in either case). Only volatility moves in the expected direction in both cases and it is statistically significant in PCSE, but not in OLS (Model 2, Table 4).

Fourth, all else being equal, presidential popularity is positively related to gubernatorial partisan power in Brazil (as the literature found for the US) but negatively related to it in Argentina. This variable barely reaches the standards of statistical significance in PCSE but not in OLS (Model 3, Table 4).<sup>68</sup> We surely need more research to disentangle the differential effects of these two groups of variables (party system and presidential popularity) on gubernatorial partisan power in these countries.

Fifth, *ceteris paribus*, the governor's share of votes<sup>69</sup> seems to increase in Argentina when president and governors share the same coalition (or party). Results are robust and significant: being in the same coalition (or party) than the president increases gubernatorial partisan power in 0.13. This is not the case in Brazil: the coefficient is negative and does not reach statistical significance (Model 4, Table 5).

Next, I try to account for yearly changes in gubernatorial partisan power. Results for both Argentina and Brazil indicate that more per capita spending in public employment is associated to fewer changes in gubernatorial partisan power, as we anticipated. The coefficient has the expected sign, but it does not reach the usual levels of statistical significance.

The role of partisan variables in explaining changes in gubernatorial partisan power is less clear. In Brazil, as we anticipated theoretically, more party system fragmentation at both levels of government is associated to fewer

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66 These two models are not reported in a table only for reasons of space.

67 A one point increase in provincial partisan fragmentation decreases gubernatorial partisan power in 0.13. The correlation between party system fragmentation at the federal and provincial levels is negative and relatively low (-0.27).

68 I use data on confidence in government for Brazil because it is available for longer time series than presidential popularity.

69 I do not use gubernatorial partisan power in this model because there is a measure of president-governors links in it. Instead, I use the governor share of votes in the election as the main dependent variable and include whether the president and a governor are allied in a given year as the independent variable.

changes in the governors' partisan power. In Argentina, more party system fragmentation in the provinces is linked to smaller changes in gubernatorial partisan power. But the sign is reversed when accounting for partisan fragmentation at the federal level. Only one variable, the effective number of federal parties in Brazil, reaches statistical significance (Model 5, Table 6).

Finally, values for the R-squared in all models oscillate between 0.29 and 0.03 (the lowest one is for changes in partisan gubernatorial power in Argentina), indicating that the most theoretically relevant variables in the literature left a large portion in the variation of the dependent variable unexplained. The obvious conclusion is that we still need better models and more research, and that we need to look for both systematic and idiosyncratic factors to explain gubernatorial partisan power.

The different models do a very poor job in explaining changes in the institutional dimension of gubernatorial power and in a combined index of both (adding the institutional and partisan components into a single measure). This is particularly the case in Argentina, where some variables in the basic model lose all statistical significance (provincial debt) and others move in the opposite direction (public employment, poverty, and GDP per capita). This is further evidence (besides the low values in Cronbach's Alpha) that we need to address these two dimensions separately, especially in cases like Argentina where there is great variation across cases in the institutional aspects of gubernatorial power.

Differences in results are not that dramatic in Brazil and this may be due to the little variation in the institutional variables across cases (Cronbach's alpha is also higher in this case). In this case, fiscal variables behave similarly than for partisan gubernatorial power but spending variables lose statistical significance when explaining changes in the institutional and the combined indices. Future studies can take on the task of explaining how related are the different dimensions and changes in both of them across cases and time.

## Discussion

Fiscal balances and public debt, in general, and provincial spending in public employment, in particular, seem relevant in understanding gubernatorial partisan power in Argentina. Federal discretionary transfers to the provinces are also an important source of gubernatorial partisan power in this case. These aggregate fiscal variables seem less relevant in Brazil, where more public employment appears to be negatively associated to gubernatorial partisan power. In this case, social spending is one of the most critical variables in explaining changes in gubernatorial partisan power.

Can we link the empirical relevance of different variables to the diverging trends in gubernatorial partisan power in the two cases? I would claim that, out of these preliminary empirical results, the stability in the values of gubernatorial partisan power for Argentina can be a partial result of the solution Argentine governors found for the commitment problem in electoral exchanges: the trading of public employment for political support. This exchange is not only self-enforcing but by its very nature tends to be more stable over time.<sup>70</sup> Other types of public investment, such as public works or social spending in health and education, do not necessarily contribute to give stability in the expected exchange for votes. In Brazil, contrary to Argentina, social investment is one of the variables more strongly related to gubernatorial partisan power. The decision of successive presidents from F. H. Cardoso to Lula da Silva to decrease social spending at the state level (and increase it for municipalities) may be crucial to understanding why state executives have weakened over time there.

In sum, this study claims that the differential use of public resources to attract votes deserves more attention to explain the diverging trends between the power of Argentine and Brazilian governors and, more broadly, the electoral returns of public funds from a comparative perspective.

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70 Robinson and Verdier.

## Annex. Variables' Description and Data Sources

Dependent Variables	Description	Source	Years
Index of Gubernatorial Partisan Power	See Calculation in Section on "The Index of Gubernatorial Partisan Power."	Author's Calculation based on Electoral Data from the Ministry of Interior (Arg.) and Jairo Nicolau's Database (for Brazil).	1983/1985-2009
Yearly change in Gub. Power	Yearly change in the index.	Ibid.	1983/1985-2009
Governor's Share of Votes	Share of votes of the presidential party or coalition in the election.	Ibid.	1983/1985-2009
Independent Variables	Description	Source	Years
Fiscal Balance	Total Provincial/State Income minus Total Provincial/State Spending in a given year.	Ministry of Economy, <i>Dirección Nacional de Coordinación Fiscal con las Provincias</i> (Arg.) and Secretary of the Treasury (Brazil)	1983/1985-2009
Provincial Debt	Total state or provincial debt (constant Pesos for Arg.; constant Reais for Br.).	Ibid.	1983/1985-2009
Public Employment	Per capita Spending in Public Employment.	Ibid.	1983/1985-2009
Total Public Spending	Per capita Total Provincial/State Public Spending.	Ibid.	1983/1985-2009
Discretionary Transfers	Federal discretionary transfers (ATNs in Ar.; <i>transferências voluntárias</i> in Br.)	Ibid.	1985-2006 (Ar.) 1997-2007 (Br.)
Population	Total Provincial/State Population.	INDEC (Arg.) IPEA Data (Br.)	1983/1985-2009
GGP per capita	Per capita Gross Geographic Product (GGP).	Ibid.	1983/1985-2009

Poverty	Share of the Province/State Population with Unsatisfied Basic Needs (NBIs) (Arg.) or Under the Poverty Line (in Br.)	Ibid.	1983/1985-2009
Economic growth	Annual percentage change in GDP.	World Bank Development Indicators (WDI), World Bank.	1983-2010
Presidential Support	Percentage of respondents having a positive image about the president.	Nueva Mayoria (1984-2000) and ICG-UTDT (2001-2010) (Arg.)	1984-2010
Confidence in government	Percentage of respondents having confidence in government.	Latinobarómetro (Brazil)	1995-2010
Fragmentation	Effective Number of Parties (ENPv: federal; and ENPPv: provincial), in term of votes.	Federal Data: Coppedge; <sup>1</sup> State Data: LEEX (Br.) <sup>2</sup> and author's calculation (Ar.)	1983/1985-2009
Polarization	Coppedge's Index of Polarization (IP), which measures the dispersion of the vote away from the relative center of the party system.	Coppedge (2008)	1983/1985-2009
Volatility	Pedersen's Index of Volatility: sum of the absolute value of the changes in all parties' vote shares from one election to the next, divided by two.	Coppedge (2008)	1983/1985-2009
Allied President	President and Governor are in the same party or coalition.	Author's codification.	1983/1985-2009

1 Coppedge, M. "Continuity and Change in Latin American Party Systems", *Taiwan Journal of Democracy* 3, 2008, pp. 119-149.

2 LEEX (Laboratório de Estudos Experimentais). (2011). Available at: <http://www.ucam.edu.br/leex/>