Explaining Coalition Performance in Presidential Systems:
The Importance of (a Parliamentary-style) Coalition Management

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Abstract:

This paper intends to contribute to the understanding of the differential performance of coalition governments in presidential regimes by stressing the impact of coalition management on coalition output. Indeed, the performance of a coalition government – particularly in terms of providing government stability and securing legislative majorities - can not be explained by resorting to a single factor. Various exogenous variables –institutional, political, cultural- pose constraints on the coalition and influence its format and type. However, as the literature on coalition management in parliamentary regimes suggests, these variables are not enough to understand why some coalitions are more durable than others. Looking at the environment in which coalitions operate (presidential or parliamentary; federal or unitary; divided or majority government) only tells a part of the story, and the picture of coalition life is only completed if we add the study of the endogenous practices and informal institutions through which coalitions operate. Then, the main argument of this paper is that the development of inter-party cooperative and fair relations within the coalition, or equally, the development of the appropriate mechanisms for the resolution of internal disputes, is a prerequisite for the success of any coalition experiment, both in presidential and parliamentary regimes. I illustrate the impact of coalition management on coalition performance by examining two cases, one of a failed (Argentina) and one of a successful (Chile) coalition.
1. Introduction

Political coalitions are necessary when governments are in a minority situation in parliament. This situation is practically the rule in the multi-party systems of Europe, and has also become an increasingly frequent phenomenon in Latin American presidential systems. According to a worldwide comparative study of presidential democracies (1946-1996), presidents did not have a majority in congress in more than half of the cases (53 percent); this rate being higher in bicameral (60 percent) than in unicameral systems (about 46 percent) (Cheibub 2002: 287). As in parliamentary systems, the occurrence of minority governments in presidentialism is a consequence of the fragmentation of the party system (Chasquetti 2002: 226-7; Cheibub 2002: 295; Payne et al 2002: 211).

In parliamentary regimes, governments are forced to work together with parliament because they emerge from and remain responsible to it. Working with parliament may imply either the building of purely legislative alliances in which a minority government seeks support from day to day and from issue to issue in parliament, or more committed agreements in which the parties forming the majority in parliament also share control of the cabinet and the executive branch. Although minority governments are not an exceptional practice (Strøm 1990), in these regimes parties normally constitute coalition governments to secure command of a legislative majority. In systems of separation of power, president and congress are both popularly elected, the president's tenure being independent of the legislature, and the survival of the legislature independent of the president. Because of these features, the party winning the presidency may not count on an absolute majority in the legislature but it is not compelled to negotiate and share power with the other parties sitting in congress. According to Linz (1994: 6-22), presidentialism generates a non-cooperative political style which tends to lead to a “winner-takes-all” outcome.

However, empirical evidence on government coalitions in presidential systems does not support the view that parties are reluctant to share power. Some comparative analyses have shown that, although government coalitions are more usually found in parliamentary regimes, they are by no means an unusual phenomenon in presidential systems (Cheibub, Przeworski and Saiegh 2004; Deheza 1997). Cheibub et al collected information about coalition governments in all democracies that existed between 1959 and 1999, and concluded that, in parliamentary systems, some kind of coalitions existed during 78 percent of the parliamentary minority situations, whilst in presidential systems they were present in 53.6 percent of these situations. These authors also found that it was the high fractionalisation of the party system that conduced to coalitions in the two regimes. According to Deheza,
between 1958 and 1994, 56 percent of the governments of nine Latin American countries (Argentina, Bolivia, Brazil, Chile, Ecuador, Colombia, Peru, Uruguay and Venezuela), were coalition governments. During the same period, two thirds of all governments supported by a congressional majority were coalition governments (Deheza 1998).

Then, the question of whether presidential systems offer incentives for coalition formation seems to have been answered. However, not all questions regarding coalitions in these systems have been responded yet. Particularly, there are many gaps in the literature with respect to the topic of coalition performance in Latin American presidential systems, that is, around the question of how well coalition governments fulfil the goals of providing government stability, securing legislative majorities, and encouraging democratic practices. As noticed above, coalitions are generally conceived as a political strategy that is able to provide a durable political solution in the absence of parliamentary majorities. But coalitions are not only supposed to improve the durability prospects of minority executives, but also their chances of getting their policy agenda approved. Finally, coalition politics is also regarded as good for democracy because it involves parties and congress in the policy-making process and imposes a logic of cooperation among political forces.

In Latin America, government coalitions\(^1\) – particularly those leading to majorities in congress- are often regarded as an important mechanism for political stability and governability since, according to many, minority governments are more likely to suffer constitutional interruptions than governments that have a majority or near-majority of seats (IADB 2005: 155; Chasquetti 2002; Foweraker et al. 2003: 117-118; Payne et al. 2002: 218; Valenzuela 2004: 13). However, in practice there is great variation in the way coalitions have been able to deliver their goals. Latin American coalitions vary in their degree of formality, cohesion and durability not only among countries but also within the same country. Some coalitions are weak, informal and short-lived, and do not provide presidents a stable base of support in congress (the Ecuadorian cases being probably the best example). These coalitions provide empirical ground for Linz’s critical argument of presidentialism: “The costs to a party of joining others to save a president in trouble are high. If the endeavour succeeds, the president gets the credit; if it fails, the party is blamed; and the president always has the power to dismiss the ministers without being formally accountable for his decisions” (Linz 1994: 19). Other coalitions (such as the Chilean) are long-lasting, provide reliable majorities in congress and even serve more than one presidential mandate, thus refuting Linz and his followers’ previous argument.

\(^1\) As coalition governments I mean governments in which the cabinet is composed of ministers from two or more different political parties, and these ministers have been nominated to act on behalf of their parties and not as independent personalities (Thibaut 1998: 140; Amorim Neto 1998: 7-10; 2002a: 51).
Between these two extremes, coalitions differentiate themselves a lot in the way they deliver government durability, congressional support, and consensual practices.

In the scholarly literature there is contention on, and above all no systematic comparative exploration of, the causes explaining the variation of coalition performance in Latin America. This paper intends to contribute to this under-explored area of research by arguing, first, that coalition performance is a function of several factors, or paraphrasing Müller and Strøm (2000: 5), “that we cannot understand any act of coalition politics in isolation from others that may occur earlier or later”; second, this paper calls attention on a factor—coalition management—which has not been sufficiently highlighted in the literature on coalition presidentialism and analyses its interplay with other factors in explaining coalition performance. Based on literature on the management of European government coalitions, my main argument is that, both in parliamentary and presidential regimes, coalition durability is a function of the ability of coalition partners to make cooperation prevail in coalition relations, or also, that the durability of a coalition depends to a great extent on its capacity to develop the appropriate mechanisms for the internal resolution of conflicts.

The following pages proceed as follows. The next section analyses the European literature on coalition management and proposes a preliminary framework of analysis for the study of coalition management in presidential systems. The section after this examines how the literature on presidentialism has explained differential coalition performance and, then, exemplifies the impact of coalition management by examining two case-studies, one of a failed (Argentina) and one of a successful (Chile) coalition. The fourth section concludes.

2. On Conflict and Cooperation: Coalition Management in Parliamentary Regimes

According to Juan Linz’s seminal work, most of the region’s problems with regime stability and governability can be attributed to the two essential features of presidential systems (Linz 1994: 6-22). First, presidentialism is a system of dual democratic legitimacy, that is, both the president, who controls the executive, and the legislature (unicameral or bicameral) are elected by the people. Dual legitimacy gives both powers a mutual capacity to veto, which can lead to stalemate in the production of legislation and, in turn, to regime instability when the political composition of the legislature differs from that of the presidency. In this case, there is no democratic principle to decide who represents the will of the people. Second, in presidential systems, president and congress are elected for fixed terms, the president’s

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2 In Latin America, the phenomenon of coalition governments has been named coalition presidentialism after the Brazilian experience (Abranches 1988; Limongi and Figuereido 1998), but this label is used today to name similar cases throughout the continent.
tenure being independent of the legislature, and the survival of the legislature independent of the president. This entails a rigidity in the political process that makes adjustment to changing situations extremely difficult. In other words, the president cannot be substituted when he/she has lost the confidence of his/her party or the people’s support.

Furthermore, according to Linz and his followers, presidentialism generates a non-cooperative political style which tends to lead to a “winner-takes-all” outcome. This argument is twofold: the party winning the presidency lacks the incentives to negotiate and share power—even though it probably does not have an absolute majority in the legislature—, and the parties in the opposition lack the incentive to cooperate with the party in government because they know that the president will concentrate both credit and ultimate decisions. As a result of this, minority governments, short-lived or ad hoc coalitions, and indiscipline parties are the rule under presidentialism. In contrast, “parliamentary regimes are based on a political logic that urges cooperation and consensus within the context of coherent policies. The unification of legislative and executive power places a high premium in working together to maximise success and avoid new elections” (Valenzuela 2004: 16). Thus, these authors’ main postulate is that the essential features of parliamentarism—the threat of government dissolution and early elections—are a necessary and sufficient condition to induce intra-party discipline and inter-party cooperation. For this reason, the only reliable solution for problems under presidential systems would be the change of regime, that is, the adoption of a parliamentary or semi-presidential form of government.

Nevertheless, empirical evidence has only partially confirmed the non-cooperative features attributed to presidential systems. As already mentioned above, the building of government coalitions has been one of the most important political strategies developed to increase the convergence of the two elected branches of government and achieve government stability and legislative success. In addition, some works suggest that these authors’ vision of parliamentary systems could be rather stylised since these systems may need more than their essential features to work cooperatively: “the calculus of the individual legislator under parliamentarism can not be solely connected with the risk of election because early election is not the necessary consequence, or even the most frequent consequence, of a government...”

3 Actually, the critics of presidentialism have been challenged from different perspectives. Since the publication of Linz’s manuscript, many studies have drawn attention to the fact that governmental regimes are complex sets of institutions, in which the defining institutions are only a partial component. Certainly, a number of other variables can either strengthen or weaken the risks attributed to these institutions. Dieter Nohlen (1992; 2003) and other scholars of the so called “Heidelberg School” (Fernández 2004; Nohlen and Fernández 1991; 1998; Thibaut 1996; 1998; Lauga 1999; Ortiz 2004) emphasised the importance of the electoral systems, the configuration of the party system, the historical political experience of every country, and the role played by the political elites (particularly in the case of Chile). Similarly, other authors stressed that it was not presidentialism per se, but the particular combination of presidentialism, multi-party systems and proportional representation, which increased the risks of crisis (Mainwaring 1993; Jones 1995).
dissolution” (56% of all prime ministers in 21 industrialized democracies between 1946 and 1995 changed without elections) (Cheibub and Limongi 2002: 160).

Due to different causes, varying levels of competition and even conflict—within and among parties—can also be expected under parliamentary rule, as well as different arrangements—besides the threat of government dissolution—to deal with them and diminish their impact. In particular, coalition politics in these systems is actually not characterized as cooperative, but as a mixed-motive game in which the interactions among party members involve both competition and cooperation (Kropp 1999). Indeed, coalition partners share a common interest on the rewards to be obtained by forming a coalition (typically, policies and posts), which serves as an incentive to cooperate and remain together, but this cooperative attitude can be challenged from different fronts. Policy distance among coalition members and coalition format are the most cited factors causing disruption within a coalition (Saalfeld 2000): if the members of a coalition are ideologically distant or hold considerable differences regarding policies, then tensions emerge and the survival of the coalition is endangered. Similarly, the coalition format affects the level of conflict within a coalition in different ways: oversized coalitions have to deal with the many problems posed by a greater number of members, although they can afford to lose a partner and still remain majority in parliament; minority governments can probably secure internal discipline, but they are obliged to a degree of consensus with opposition congressional parties in order to pass legislation; in contrast, absolute majority coalitions are normally considered the most stable.

Many other factors—institutional, political, cultural—may also be a source of conflict in coalition relations. For instance, when coalitions act in a federal institutional context, parties may be forced, first, to build large coalitions (to secure majorities in both houses of parliament), second, to invest efforts in coordinating the different state levels (the coalition acting at the federal level may be different from others at the sub-national level), and, third, to guarantee different forms of representation in the cabinet besides the parties (languages, regions, etc). Then, the complexity of decision processes in federal systems is a restriction for a smooth government coalition work, as the German experience suggests (Kropp 2001). Another example of this is the internal structure of the parties integrating the coalition. Parties are not unitary actors, they need to accommodate interests among different levels (basis, intermediate leaders, national leaders), which does not necessarily result in a cooperative attitude towards the coalition partner. Further, in federal systems internal party relations also involve a horizontal dimension, that is, the need to take into account the interests of regional factions or leaders. Then, the degree of party internal homogeneity can also be influencing the extent to which inter-party relations within a coalition are conflictive or cooperative.
As a result, despite the cooperative incentives of the institutional parliamentary framework, in reality coalitions operate under a mixed formula of cooperation and competition. There are many possible variations of this formula across coalitions, and even within the same coalition along the years because inter-party coalition relations develop in a dynamic and longitudinal way (Kropp 1999). After a period of joint work, coalition partners can individually undergo changes (such as those in programmatic positions) or simply change their attitude towards other member/s as a result of the experience of working together. As can be seen, trust and risk play an important role in coalition relations (Hogwood 1999). They do at the formation stage –the perceived trustworthiness of potential partners is part of a party's calculations while choosing a partner- but they remain a crucial factor throughout the duration of the coalition. Since the risk that a partner will not respect its part of the deal is always present, partners usually enter into a coalition agreement at the formation stage. In other words, they develop some institutions and rules which then impose on themselves as mechanisms of conflict prevention. These agreements confirm, in practice, that cooperation is not taken for granted in coalition relations and, instead, boosted and cared during the whole partnership life.

Thus, the study of coalitions in parliamentary regimes suggests that coalition management is an important explanatory variable of coalition performance. In order to understand what this means and what its implications are, we need to enter into the “black box of coalition life” (Timmermans 1998: 429), or in the “institutionalised extra-institutional arena” (Krouwel 2005: 645) in which coalitions operate. In this arena, coalition politics is largely informal and frequently takes place behind close doors, so its consequences are difficult to assess empirically. Because of this, even in the case of the well researched European coalitions, there is still much work ahead concerning the operation and effects of the (informal) institutions which characterise consensus democracies (Krouwel 2005). However, the growing line of research on the practice and management of coalitions in government suggests some questions and working hypotheses that can also be relevant to understand the coalition world in other geographical areas (Kropp 2001; Müller 2004; Müller and Strøm 2000; among others). There are four points worth remarking.

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4 Consult Helmke and Levitsky (2004) for a detailed account on what informal institutions are. As these authors explain (p. 727), both formal and informal institutions are rules and procedures that structure social interaction by constraining and enabling actors' behaviour. But they differentiate themselves in that informal institutions are "socially shared rules, usually unwritten, that are created, communicated, and enforced outside of officially sanctioned channels", whilst formal institutions are rules and procedures "created, communicated, and enforced through channels widely accepted as official" (such as state institutions –legislatures, courts- and state-enforced rules –constitutions, laws). The case of government coalitions illustrates the variety of ways in which formal and informal institutions interact.
First, government coalitions (as every government) are subject to (external) challenges. These challenges do not normally determine per se a coalition outcome (failure or success) because they are dealt with within the coalition policy-making structures. It is the way in which coalitions work out government problems which can be held responsible of a determinate outcome. As an example, a large policy distance between two coalition members does not necessarily imply in advance that the coalition will be short-lived. On the contrary, if the coalition acknowledges the situation and prepares itself to deal with the forthcoming policy differences, it has real chances to offer government stability as well as other goals. Thus, the organization of coalition work matters in coalition performance, and can even become itself an additional (internal) source of tension among coalition members.

Second, the literature normally regards a coalition dynamic characterised by a sense of fairness as better for coalition success than other in which credits and losses are not justly shared. This has been particularly highlighted with respect to the distribution of government portfolios. The basic view indicates that parties should receive the same percentage of portfolios as the percentage of parliamentary seats they contribute to the coalition (see Druckman and Roberts 2005). However, more important than proportionality is the fact that parties agree on the coalition’s rewards strategy on cabinet positions. Tensions may appear in inter-party relations if parties differ on the relative importance of portfolios, or do not get those posts regarded as crucial for the individual party policy goals (Hogwood 1999). Furthermore, a sense of fairness should accompany other activities besides the distribution of posts. Once in government, if losses are not shared and only one of the partners gets all the credit at the expenses of the other, the latter will tend to block everything it sees as affecting its individual interests (Kropp 1999). As a result, a logic of competition will prevail, and the common initial goals of the coalition can be endangered. However, these risks can be diminished through the establishment of informal practices or institutions, as the next point illustrates.

Third, recent European literature on coalitions highlights the importance of coalition agreements, that is, the arrangements that coalition partners make before entering into executive branch collaboration. These arrangements may be formal documents written to regulate coalition life in detail, or more informal understandings on which the rules of the game will be once in government. There are three general issue areas contained in coalition agreements: policy commitments, portfolio and other office allocations, and conflict management mechanisms (Müller and Strom 2000: 18-19). Agreements can also include arrangements on parliamentary discipline on legislation and other activities (such as parliamentary oversight). All these areas suggest that coalition success involves more than
an understanding on cabinet appointments, and that the early definition of rules to deal with potential conflicts may be crucial for coalition success. There is a great variety of instruments of conflict management (Kropp et al. 2002: 38). They range from institutionalised and therefore well identifiable instruments such as coalition committees and cabinet committees, until very ephemeral forms of consensus building. In some countries, cabinets are the locus of coalition management, whilst in others ministers are comparatively powerless. In addition, the role of the government leader varies: he/she can act, for instance, as conflict manager or as a mediator. It is difficult to determine the most efficient form of coalition management, but evidence from European cases suggest that, where coherently programmatic coalitions are more difficult to build or where the coalition needs to manage different decision levels (as in federal systems), informal meetings of the premier/president with party leaders will not suffice and coalition management mechanisms should be more complex.

Fourth, coalition agreements are the starting point of the partners understanding, but they are not enough to guarantee coalition success. Despite of being designed to constrain party behaviour, they are in practice informal institutions that any of the signers can betray once the coalition is at work. Then, we learn that coalition performance is the result of a process of joint work, that the study of coalitions can not be reduced to a determinate point in coalition life (such as the moment of the coalition formation), and that strategic political decisions/mistakes along the years in government can also affect the coalition outcome. In general, coalition actors learn from the experience of working together with the same partners, so coalitions with previous practice in government have better chances to succeed.

In sum, within a framework of fusion of powers, that is, the framework that supposedly offers the best incentives for cooperation, coalition actors actually rely on a number of informal rules and institutions to counterbalance their competitive impulses and enhance their chances of success. As above indicated, informal institutions help coalitions to deliver cooperation in inter-party relations (or in the relations among coalition party leaders), in inter-branch relations (or between the executive and parliamentary coalition leaders), and between parliamentary leaders and the party rank-and-file (parliamentary discipline). In other words, informal or endogenous rules –that is, rules that the coalition actors impose on themselves, often in order to deal with problems of coalition governance (Müller and Strem 2000: 4, 11)- contribute to the success of coalitions as mechanisms of connection among the different institutional instances that intervene in the policy-making process.

Indeed, coalition actors do not only act in the world of informal or endogenous rules that they build for themselves. These rules are developed within the framework of exogenous
institutions (Müller and Strøm 2000: 4, 11), or institutions that are beyond the short-term control of the actors. Typical examples are constitutions or other statutory instruments that act as constraints on the set of feasible cabinet coalitions and other actors’ options. Also, formal institutional mechanisms, such as a centralised legislative organization and executive agenda and legislative power, serve to induce legislative vote cohesion, that is, a goal that coalitions are meant to provide. Since these formal institutions are instruments in the hands of governments in general, and of government coalitions in particular, they also affect the extent to which coalitions need to develop internal rules to either complement or supplement their functions. All this shows that we cannot properly understand the politics of coalition governments without paying attention to their institutional environment, and that the existing great variation of institutions—from country to country, from decade to decade—is an important cause of the diversity of coalition experiences.

Despite this variety, this section has shown that the scholarly literature on parliamentary coalitions has already been able to identify a core of practices and informal rules that seem to be crucial to explain coalition performance in these regimes. In the next section I shall argue that these basic rules and practices also work as explanatory variables of coalition performance in Latin American presidential systems. As tentative working hypotheses, I propose to observe, first, whether coalitions developed a set of rules to manage potential conflicts among the partners, and, second, whether a sense of fairness prevailed in the partner relations at different stages of the coalition life. These two elements would help to achieve cooperation among coalition partners and diminish the tensions that could endanger their governmental tasks.

3. Explaining Coalition Performance in Presidential Systems

Recently, some works have stressed the important differences existing between cabinets in parliamentary and presidential systems (Amorim Neto and Samuels 2004; Amorim Neto and Strøm 2006; Amorim Neto 2006). In parliamentary systems, partisan cabinets constitute the rule because governments are obliged to pay attention to the balance of forces in the legislature in order to survive. In systems of separation of powers, where president and congress are both popularly elected for fixed-terms, cabinets are not necessarily in accord

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5 Indeed, these institutions can also become a source of power in the hands of some skilful political leaders who are ready to explore the limits of their options. Some studies state that, when political actors make policy choices, they are not acting within a given framework of institutions, but deciding about the institutions themselves (Munck 2004: 446). Similarly, others suggest looking at institutions as resources, and at human agency as the capacity to appropriate and potentially transform those resources through diverse deliberate strategies (Mahoney and Snyder 1999).

6 These institutional mechanisms have begun to be researched both in parliamentary (see Döring 1995 and Tsebelis 2002) and in presidential systems (see Figueiredo and Limongi 1999 for the Brazilian case). Much work is still needed in this respect, especially in the latter cases.
with the partisan situation in congress. In these systems, presidents not only count on vast constitutional powers to intervene in the law-making process (which include, with variations among the cases, the introduction of bills, the total and/or partial veto, and the enactment of decrees with the force of law), but also on the power to freely appoint and dismiss ministers. Then, cabinets can be seen as a private reserve of the chief executive since the profile of cabinet members can vary according to the presidential calculus, that is, to the strategy selected by the president to carry out his/her policies (Amorim Neto 2006). In other words, presidents facing a minority situation in congress will not necessarily form a coalition and govern with parties and congress. If they opt to govern alone, their cabinet will look rather departyised and packed with technocrats, cronies, or representatives from interest groups.

However, as we have seen before, minority presidents quite often opt for the formation of coalition governments. If this is the case, existing works still emphasise that these governments are quite different from those prevailing in parliamentary systems due to the role that presidents play in coalition formation. As head of the executive, the president’s role in this process is regarded as pivotal: because he/she is the only one that can offer portfolios, he/she becomes the crafter of the coalition. The president not only holds the initiative in coalition negotiations, but also the option to choose the players who will enter or leave the coalition. In addition, the president’s party will be included in the coalition, regardless of the number of seats it controls (Altman 2000: 260; Cheibub et al 2004: 568). In parliamentary regimes, rather, coalitions are the result of negotiations among political parties, and all parties, unless considered ‘anti-systemic’, are potential members of the government coalition. As a consequence, the prime minister does not have the last word on the coalition and will normally have to concede control to coalition partners (Laver and Shepsle 1998).

Besides the presidential appointing prerogatives, other institutions are likely to differentiate coalitions in presidential and parliamentary systems. However, these institutions will not cause more differences between presidential and parliamentary coalitions than among coalitions in different presidential systems. In particular, the organisation of the legislative work (centralised or decentralised), the president’s legislative powers, especially his/her powers over the budget (to what extent they allow the president to decide discretionary on

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7 A number of works have analysed the varied constitutional competences of the Latin American presidents and congresses in the legislative process (Carey and Shugart 1998; Colomer and Negretto 2003; 2004; Mainwaring and Shugart 1997; Haggard and McCubbins 2001; Morgenstern and Nacif 2002; Shugart and Carey 1992; Thibaut 1996; 1998). Latin American presidents differ greatly from each other in their powers to intervene in the legislative process: decree powers, vetoes, urgency declarations, legislative initiative are unevenly distributed throughout the continent. The cited works have created sub-types of presidential democracies and have tried to evaluate the impact of some of these institutions, particularly the presidential power of enacting decrees with the force of law.

8 Institutional incentives, economic conditions, and presidential preferences are the variables pointed out by Amorim Neto’s (2006: 10) as explanatory of the selection of presidential strategies.
the implementation of local projects), and the president’s capacity to distribute posts in the federal government are usually used to explain different coalition types and the performance of coalitions in delivering congressional party discipline. Although certainly important, these institutional arrangements do not tell the whole story. They fail to explain, for instance, why coalitions perform differently within the same country—that is, within an institutional context of identical rules-, or also, why coalition presidents dotèd with many institutional resources still can fail. Similarly, it is argued that presidents use different inducements to keep coalitions together and attain congressional discipline, the most usual being those of a particularistic or clientelistic nature: policy concessions or amendments that benefit legislator’s constituencies or parties’ basis of support, local investment projects, budgetary transfers, public employment, and governmental contracts. These instruments—the argument follows—may facilitate the approval of laws, but can be particularly “costly” since they represent the side payments that presidents have to make to secure a majority favorable to his/her bills (Amorim Neto 2006: 6). In other words, partisan cabinets may help presidents survive in office, but can also hurt state capacity (Geddes 1994, cited in Amorim Neto 2006). Then, coalitions appear as a kind of necessary evil to ensure governability, and we do not understand why coalitional politics is regarded as so good for Latin American democracies; neither why some coalitions need to rely more than others on the provision of particularistic goods. In sum, it can be presumed that other factors are acting behind the scenes, and determining the extent to which side payments are a necessary or complementary solution.

A way to disentangle the complex question of coalition performance is to add the coalition management approach to the existing coalition studies. In reality, my proposal only deepens the existing line of research that emphasises the connection between cabinet dynamics and government output both in parliamentary and presidential systems. With respect to presidential systems, we have seen above how pivotal the presidential role is in coalition formation. However, many works have already demonstrated that presidents can not do anything they want if they want their coalition to succeed: cabinet appointments show that, like prime ministers, presidents need to take care of coalition partners in order to enhance their legislative success and the coalition chances of survival. It has recently been proved that, in general, Latin American ministers are more stable (less replaced by presidents) under coalition governments than under other types of government, which indicates that coalition commitments restrain presidents’ (otherwise free) ability to change the cabinet (Martínez Gallardo 2005: 122, 158). In particular, Amorim Neto (2000) and Amorim Neto and Santos (2001) have demonstrated that, in Brazil, the cohesion of a president’s legislative

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support coalition is a function of the way in which the president distributes cabinet portfolios to coalition partners: when portfolios are distributed proportionally to each party’s contribution to the coalition, legislative cohesion increases. In Uruguay, cabinets that violate the norm of proportionality in portfolio allocation tend to be short-lived compared to proportional cabinets (Altman 2000). In addition, in the case of Chile, the cuoteo—the distribution of executive-appointed positions based on partisan colours, and the quota of parliamentary candidacies allotted to particular parties within the Concertación coalition—are regarded as crucial to the maintenance of the governing coalition, the legislative success of presidents, and in turn, Chilean democracy. Parties react vociferously to any perceived violation in the balance of party forces, often threatening to withdraw from the coalition (Siavelis 2004). In Bolivia, the system of indirect presidential election, in the context of a fragmented party system, has also encouraged the formation of government coalitions, the positions in the cabinet being traditionally used during the negotiations as a token of exchange for maintaining the coalition together (IADB 2005: chapter 4).

The proportionality rule shows that a “sense of fairness” also accompanies successful coalitions in presidential systems. But, except for the case of Chile, little research has been done in Latin America on whether this feature of coalition management is circumscribed to portfolio allocations or extended to other coalition activities. In the next pages, I shall enter in this under-explored area of research by referring to two contrasting coalition cases—the Alianza in Argentina (1999-2001) and the Concertación in Chile (1989 – the present). Whilst the Alliance did not manage to finish the presidential term and President Fernando de la Rúa was obliged to resign in the middle of a huge economic crisis and massive social demonstrations, the Concertación has continuously governed Chile since the return to democracy. This four-party centre-left coalition has just begun its fourth presidential mandate with a female socialist president, Michelle Bachelet.

As a matter of fact, the framework of exogenous institutions in which these coalitions operate/d is not that different as could be thought. Both the Argentine and the Chilean presidencies are constitutionally very powerful because of the important legislative powers presidents have. Some authors have equally classified both presidencies as “potentially dominant” (Mainwaring and Shugart 1997: 49), while others have noted that Argentine

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10 The process of government formation in Bolivia is unique in the region. If no presidential candidate wins a majority of the vote, congress elects the president from the top two candidates (the top three candidates until the electoral reform in 1995), as in a parliamentary system.

11 The following paragraphs are actually work in progress, so they do not provide conclusive evidence but a first approach to the problem.

12 The Concertación is constituted by the Partido Demócrata Cristiano (PDC), the Partido Socialista (PS), the Partido por la Democracia (PPD) and the Partido Radical Social Demócrata (PRSD). The first two presidents were from the PDC, the last two from the PS.
presidentialism is more dominant than Chile’s ‘exaggerated’ presidentialism because of the extension of the president’s decree power (Nolte 2004: 48). However, in both cases, constitutionally strong presidents have to act in systems with many veto players (strong bicameralism, divided government, multipartism, federalism in Argentina). Chile’s coalition managed to adjust itself to these constraints by developing a complex set of endogenous institutions that allows the passing of policies through negotiations. Argentina’s coalition failed to do that. This strategic omission proved to be in disaccord with the complex exogenous institutional context in which the coalition operated. Further, it added extra doses of tension to an already complicated social and economic situation.

The Alianza

The Alianza, the only coalition experiment in Argentine third-wave democracy, was formed in the late 1990s by combining two heterogeneous partners, new Frepaso and old Radicalism. Frepaso—a poorly institutionalized conglomerate of small left-wing political groups and former Peronist streams—profited from Radicalism’s national organizational structure, and so appeared in every electoral district, while Radicalism benefited from the wide popularity and media communicational efficiency of Frepaso’s main leaders: Carlos “Chacho” Álvarez and Graciela Fernández Meijide (Novaro 2002: 43). Cooperation within the Alliance was embodied in a shared presidential formula, as Álvarez (Frepaso) became the vice-president and Fernando de la Rúa (Radicalism), the president. From the very beginning, it was clear that this new partnership would not be exempted from difficulties: first, these two parties had never worked together; second, they did not offer much government credibility, since Frepaso had neither a disciplined unitary structure nor previous experience in government (with a few local exceptions, it had acted mostly as a parliamentary opposition force) and centenary Radicalism, on its part, still fought against the resilient social memories of its last experience in government, which had ended with President Alfonsín’s anticipated resignation in the middle of a hyperinflationary crisis. Third, the fact that Radicalism’s presidential candidate was not the leader of his own party enlarged the prospects of dissent. Although de la Rúa had been a member of the Radical Party for a long time, he had never managed to be part of its core decision-making structure, which had been, since the primaries organised to contest the 1983 presidential elections, in the hands of Alfonsín. During the 1990s, de la Rúa had gained some respect within the party but he was still far from a position of leadership. In short, at the moment of assuming power, the Alianza’s internal front was characterised by enormous amounts of distrust in all possible directions: between the parties, among party leaders, from the parties with respect to their leaders, and so on.
In addition, exogenous constraints increased the worrying prospects for the coalition. The Alianza won the elections in 1999 with 48.37 percent of the votes by campaigning on society’s expectations that the model that had prevailed during the 1990s could be improved upon. Its mandate was based on the maintenance of the Convertibility Plan, the remedy of social problems, and the improvement of democratic governance mechanisms (Charoski 2002: 198-211). However, the Alianza did not work out how this promising but loose governmental programme was going to be implemented in a context of important restrictions. On the one hand, in 1999 the economic model that had given Argentina the name of being one of the most successful cases of structural reforms in Latin America was in decline: it was producing severe costs for a large part of the population, and domestic recession and fiscal deficit were hand in hand with increasing difficulties in obtaining external financing. On the other hand, the Alianza’s presidential victory was only accompanied by a narrow majority in the chamber of deputies and a minority situation in the overwhelmingly Peronist senate. As the Peronists also held fourteen provinces (out of twenty-four), including the most important three –Buenos Aires, Santa Fé and Córdoba-, the finding of compromises with this party seemed unavoidable. Then, many questions come up: how would the president accommodate the coalition’s policy goals to a restrictive economic context? Did party leaders want to change them? Did both president and party leaders have the authority to alter policy goals and then impose them on the party rank-and-file? How would negotiations with the opposition be handled? Who would be in charge of them?

Despite these foreseeable multidimensional complications, the Alianza did not prepare itself for more than winning the presidential electoral contest. The coalition only managed to consolidate an agreement on the presidential formula, and failed to institutionalise the necessary mechanisms for the resolution of conflicts and the making of decisions (Novaro 2002: 62-65). The latter was then spontaneously left to ad hoc meetings of the coalition top leaders, with the additional restriction that the president was not part of this selective circle. Decisions adopted within this informal instance would be at best regarded as alien by the president, at worst as conspiratorial. Before this situation, the presidential strategy was isolation, that is, to rely only on an inner circle of close advisors (entorno). This strategy only helped to deepen the existing atmosphere of mutual distrust because the president’s entourage became an “institutionalised distance” from the rest of the government (Bonvecchi and Palermo 2001). To make things worse, this entourage was neither efficient nor trustworthy. It consisted of some members of his family (his elder son, Antonio; his brother, Jorge), old friends (Fernando de Santibañes, an entrepreneur known for his advocacy of neoliberal ideas, appointed by de la Rúa as Head of the Intelligence Service), and a few young party members with little influence within the power structure of Radicalism. This circle
by no means compensated the president’s weak base of support within his own party and
much less promoted dialogue with the coalition partner. Rather, it became another extra-
institutional device for the adoption of decisions, in direct competition with the coalition
parties’ authorities.

Mutual distrust was fueled as a consequence of the way the president handled a corruption
scandal that burst in the senate around the approval of the labour reform law.\(^{13}\) In particular,
the approval of this law was the only important political victory that the government could
exhibit in 2000. This initiative –which had already been met with little success in Menem’s
presidential agenda- had overcome the resistance of coalition members in the lower house
and had broken the Peronist resistance in the senate. It was also a project dear to the
president, carried through by the Minister of Labour, Alberto Flamarique, from Frepaso.
However, only a couple of months after the approval of the labor reform law, a newspaper
story diminished the government’s victory by indicating that members of the senate had been
bribed in exchange for support. This was a crushing blow to the Alianza’s credibility: if there
had been bribes, it must have been someone (from the executive) who had made the offer.
The scandal triggered a conflict between de la Rúa and the vice-president Álvarez (also
president of the senate), which would eventually lead to the latter’s resignation. The
president’s reluctance to investigate as well as his decision to back up (and even promote)
the suspects within his government, was not only the beginning of the end for the Alianza’s
partnership, but also confirmed to the public that the coalition was unable to carry out its
electoral promise of conducting a transparent government.\(^{14}\)

The lack of understanding within the coalition’s decision structures also damaged the
government’s economic performance. The president did not (could not?) build consensus,
and severe economic decisions were adopted with the weak support of his inner circle and a
team of albeit renowned economists. The parties reacted with increasingly malaise to the
continuous deepening of the adjustment policy: some deputies abandoned the chamber’s
bloc, others their leading positions at the executive. Further, the reshuffles at the Ministry
of Economy in March 2001 –two resignations in one month- indicated the incapacity of the
government to manage the economic crisis in general, and increased doubts among

\(^{13}\) Further details of this scandal as well as other aspects of the presidential leadership style can be consulted in
Llanos and Margheritis (2006).

\(^{14}\) De la Rúa interpreted Álvarez’s commitment to investigate the senate as a conspiracy against him: when
denouncing corruption in the senate, Álvarez was destabilising the standing of the president and enhancing his
own. As a result of the president’s moves, Álvarez felt humiliated and resigned the following day arguing that “I
respect the president’s decisions but I cannot go along with them in silence because they contradict what I have
been demanding from the Senate of the Nation. I am convinced that society is demanding strong political
gestures to resolve the political crisis” (speech of resignation published in La Nación, October 7th, 2000). In his
memoirs, Álvarez admitted that his decision to resign was taken at the last moment and was essentially the result
of the way in which DLR’s inner circle of supporters had cheered his defeat in public (Álvarez and Morales Solá
2002: 45-46).
international investors and financial agencies about the government’s capacity to balance public accounts, generate economic recovery, and pay off the debt (Gervasoni 2003). They confirmed international investors and creditors that the source of the economic problems was indeed political.

The following events are known. The Argentine debacle at the end of 2001 was the result of a complex multi-causal process, which involved both political and economic variables. Among all possible causes, the mismanagement of the coalition in government is by no means a residual explanation.

The Concertación

In sharp contrast with the Argentine case, the policymaking style developed by the ruling coalition in Chile is always distinguished from the rest of Latin American democracies for its consensual and institutionalised features. These features consist of a set of practices and informal rules, which consolidated in the extra-institutional arena of intra-coalition relations with the purpose to enhance the coalition’s ability to legislate and govern, and so, its chances of survival. There exists a myriad of examples of how this coalition dynamic operates, all of which point at the fact that the large and small constitutive parties, through the repeated interactions and fair play of their party elites, managed to trust each other and found it worth for their individual goals to cooperative in the inter-party coalition game.

The foundations of this complex informal architecture were settled by the first democratic president, Patricio Aylwin (1990-1994), who exhibited remarkable conciliatory skills and soon was respected by the members of the coalition (Siavelis 2000: 55-62). He characterised his cabinet as a homogeneous pluralist team, representing the whole array of forces within Concertación. He avoided making any significant changes in the cabinet in order to maintain trust and consensus among coalition members. Regarding the legislative branch, the executive avoided proposing legislation that exacerbated the tensions with the military and right-wing sectors posed by the transition to democracy. The president was willing to rescind urgent matters or to withdraw bills when necessary, in order to give Congress some extra

15 In early March Minister Machiaca was replaced by Ricardo López Murphy who, until then, had been the Minister of Defense, and was an orthodox economist with a good reputation within the financial community. The announcement of the new minister’s economic plan provoked a new crisis within the cabinet: three ministers and other officials resigned in disagreement over the severity of the adjustment, which –they argued- would exacerbate social conflict and make it impossible for the Alliance to fulfill its social agenda. The new cabinet reshuffle left the Frepaso and Alfonsinist forces underrepresented within the government, revealing a serious rift within the Alliance. López Murphy resigned on March 20th, 2001, and was replaced by Cavallo, the renowned Menem’s minister and creator of the convertibility plan. His arrival at the Ministry of Economy provoked the flight of some ten Frepaso deputies (La Nación 01/04/01).

16 See the various works by Siavelis (2000, 2002, 2004) for an excellent account of the details.
time to consider proposals. He was prone to involve Congress in voluntary and informal discussions. Aylwin also exerted a firm and decisive leadership; his skills as a communicator, broker and negotiator, combined with his respected image as a fair player, helped to stem potential conflicts between the branches of government and maintain harmony within the coalition.

Although there were fears that this conciliatory managerial style was too much conditioned by the democratic transitional context and, then, that it would be erased with the years, coalition actors soon learnt that constraining their competitive impulses actually enhanced their chances of success, and so continued behaving accordingly. There have been differences in the managerial style of different presidents (Siavelis 2000, 2004). President Eduardo Frei was accused of creating a “círculo de hierro” (an iron circle) in the cabinet that was at odds with the multiparty practices of the alliance. He was also perceived to have violated the informal cuoteo with the appointment of Christian Democrat Carlos Figueroa to replace Socialist Interior Minister Germán Correa in 1994. Threats of coalition disintegration followed after these actions, showing how constrained the president’s margin of maneuver was, and forcing corrections. Then, the outstanding performance of this coalition is the result of the exercise of joint work, with the accumulation of previous experience being a continuous reinforcement of its future chances of success.

To conclude, it is worth bearing in mind that the features of this coalition’s management are quite close to those exhibited by successful coalitions in parliamentary regimes. First, the presidents’ respect for the cuoteo, particularly for a balance of party forces in positions of power throughout the executive branch, have served to reinforce trust, by insuring widespread party input into governmental decision-making and equal access to information. Second, the partido transversal, the informal group of party leaders—centred around presidents and with key jobs in the most important so-called political ministries—have served to structure informal relationships among the leaders, between their parties and the coalition, as well as with social groups. Their influence has been crucial for the coalition’s strategic design as well as for the definition of the set of public policies that have been pursued. As preferred interlocutors of the president, members of the partido transversal have also counted on the authority to discipline their parties and persuade opposition legislators to cooperate.

4. Conclusion
I would like to make three points to conclude. First, Chilean politics is regarded as exceptional in the region and, in view of the above-mentioned features, it probably is. The performance of the Concertación coalition has been of the highest standards: government stability, negotiated and still coherent policies, and the strengthening of democratic practices through unusual levels of inter-party consensus and congress participation in the policy-making process. The achievement of this outstanding performance has been attributed to both the specific incentives of the context in which the coalition operated (the initial risk of democratic instability, multipartism, a majority electoral system, high quorums for constitutional reform, extreme presidentialism) and the ability of party leaders to develop the most appropriate set of informal practices and rules to deal with this challenging context. The fact that, within a framework of radically different institutions, the Concertación developed a management style quite similar to that prevailing in the successful European coalitions suggests that the latter has been the key to its success.

Second, in the real world, coalitions do not normally achieve the management structure that optimally matches the political-institutional environment in which they operate. These distortions to not imply per se the failure of the coalition, but may diminish its performance. From this point of view, we can understand better why some coalitions continue delivering government stability but, at the same time, become more ‘costly’ (for the state and democracy): they complement the lack of internal cohesion with the distribution of particularistic or clientelistic benefits (and corruption in the worst case) in the achievement of congressional discipline. However, the case of Argentina shows that presidential powers, particularistic benefits, and other resources presidents have at hand, can complement the coalitions work, but do not substitute the basic politics of a coalition government. Reasonably stable coalitions are not possible if distrust and unfairness prevail in partner relations and presidential unilateral decisions replace the attainment of intra-party consensus.

Third, the study of coalition management from a comparative perspective, including parliamentary and presidential coalitions, could be an important contribution for the building of a general theory of coalition stability. I still do not have much evidence to draw strong conclusions, but these pages have suggested that successful coalition politics seems to involve a basic set of practices and rules, which can indeed be differently achieved in different institutional environments, but which should be present. These are only some reflections on a line of research that looks quite promising.
Bibliography


