

# The Politics of Minister Retention in Presidential Systems

Technocrats, Partisans, and Government Approval

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Presidents and prime ministers often introduce policy adjustments by reallocating cabinet portfolios and shield their favorite policies by protecting key cabinet members. Individual minister profiles are a crucial factor in guiding such decisions. The retention of politically savvy partisan ministers helps consolidate legislative support while the retention of technocrats, who are less vulnerable to the pressures of political parties and constituents, guarantees policy continuity. Different types of ministers are therefore protected or sacked in different political contexts. Given these alternatives, what types of ministers enjoy longer tenures and under what conditions? How do individual profiles and electoral incentives affect minister turnover?

We argue that the effect of ministers' profiles on portfolio reallocation is conditioned by the popular approval of an administration. When the government is unpopular, the loyalty of cabinet members to the chief executive is fragile, and external factors drive cabinet turnover. Partisan ministers leave the cabinet as the government coalition crumbles, and technical ministers are replaced in response to public pressures. In such contexts, government chiefs only command the loyalty of an inner circle of ministers who are without partisan careers or independent policy agendas. When the government is very popular, by contrast, the cabinet aligns with the chief executive, and external pressures for cabinet turnover decline. In the latter scenario, partisan and technical ministers tend to be safe in their posts, but technocrats in charge of the administration's successful policies have more leverage and a lower risk of exit than most partisan ministers.

As a result, the conventional distinction between partisan and non-partisan ministers proves insufficient to understand retention strategies. While weak heads of government are forced to engage in defensive reallocation strategies, which result in a higher rate of turnover for most ministers, strong executives can engage in unilateral portfolio reallocation in order to strengthen their control of the cabinet. This pattern typically

involves the preservation of technocrats responsible for successful government policies but not necessarily of outsiders, who become less necessary in a context in which all ministers align with the head of the government.

### **From Cabinet Appointments to Minister Survival**

Portfolio reallocation has been increasingly depicted in the literature as a tool to deal with difficult situations, such as the presence of “undesirables” and “opportunists” within the cabinet, the decline of government popularity, low policy performance, and economic or socio-political conflicts.<sup>1</sup> The emerging research agenda departs from the well-developed literature on cabinet formation. In the classic approach, portfolio allocation was conceptualized as a tool to obtain legislative support for the establishment, performance, and survival of governments. This perspective focused on the partisan composition of the cabinet, underscoring the role of institutional conditions (e.g., legislative majorities and the nature of coalitions) as the main explanatory variable. Initially developed to explain the politics of European parliamentary democracies, the approach later travelled to the realm of Latin American presidentialism.<sup>2</sup>

Alternatively, portfolio reallocation studies focus on the appointment and removal of individual ministers within cabinets and privilege explanations that underscore the role of critical events and individual attributes above and beyond partisanship. The emphasis on individual traits has led to a renewed interest in gender, technical skills, and extra-party affiliation of ministers, as well as the development of more exhaustive and sophisticated datasets on individual backgrounds.<sup>3</sup>

A central theme in this emerging line of research has been the role of non-partisans in government. The issue of “independent” ministers has been tackled by the literatures on parliamentary and presidential regimes, although from different angles. Research on European democracies has focused on the increasing presence of “outsiders” in the cabinet over the last decade, demonstrating a deviation from traditional career paths. The need to recruit based on technical skills to face the growing complexity of multi-level governance and the organizational decline of political parties has been posed as the main explanation for the new phenomenon, in addition to factors such as the “presidentialization” of politics and the institutional separation between executive and legislative powers.<sup>4</sup> In presidential democracies, where rulers are expected to nominate more ministers without party backgrounds, scholarly attention has focused on experts without political experience but with considerable political power. Initially triggered by the performance of successful “technopols” during the nineties, this research has linked technocratic politics to the increased impact of economists, neoliberalism, and structural reforms.<sup>5</sup>

Despite the relevant contributions of these research agendas, three implicit assumptions present in the literature hamper an adequate consideration of minister profiles and their role in contemporary governments. First, portfolio reallocation is conventionally depicted as a reactive tool, used by weak heads of government to confront negative

situations. We show in this article, however, that portfolio reallocation can also be a proactive tool when used selectively by well-positioned chief executives to consolidate their control over cabinets.

Second, the presence of non-partisan ministers in government is conventionally linked to the de-politicization of public policy. The European literature has largely viewed the surge of non-partisans as a reflection of major trends related to the complexity of modern governance, such as modernization, democratization, and Europeanization. The Latin American literature, on the other hand, has linked strong non-partisan ministers to the resolution of acute economic crises and the introduction market-oriented policies. In both cases, non-partisan ministers are considered apolitical individuals (at least in traditional terms) who join the highest levels of the decision-making process when there is a suspension of regular politics. We argue that this image of non-partisans can be misleading for two reasons. To begin with, “non-partisan ministers” is a heterogeneous category that includes technocrats with an independent policy agenda, as well as outsiders who are personally loyal to the chief executive. Moreover, the idea that technocrats represent the de-politicization of public policy mostly reflects the fact that professional politicians allocate blame for unpopular policies to technical ministers and claim credit for successful policies for themselves. This suggests that the framing of the relationship between government leaders and non-partisans in the cabinet is mediated by public approval rates.

The third deficit relates to the assumption that minister profiles can be properly captured by certain rigid dichotomies: insider/outsider, generalist/specialist, or politician/amateur. The early European literature developed binary taxonomies that mostly remained unchallenged in subsequent research.<sup>6</sup> In turn, the Latin American literature focused on a very specific profile—successful technocrats with significant political clout—without considering other types of non-partisans and their relations with partisan ministers. Additionally, these taxonomies overlooked portfolios not specifically related to economic policy and relied on a very basic operationalization of technocratic profiles that measured whether ministers had PhDs in economics. We address this problem by developing a systematic typology of minister profiles and by operationalizing the concepts of technocrats, partisans, and outsiders based on our conceptual scheme.

## **Portfolio Reallocation and Minister Profiles**

To overcome the limitations discussed above, we broadly define portfolio reallocation as a government tool for managing multiple political resources through either cooperative or unilateral strategies. We argue that the strategy chosen is conditioned by the political strength of the chief executive. Our argument therefore involves three claims.

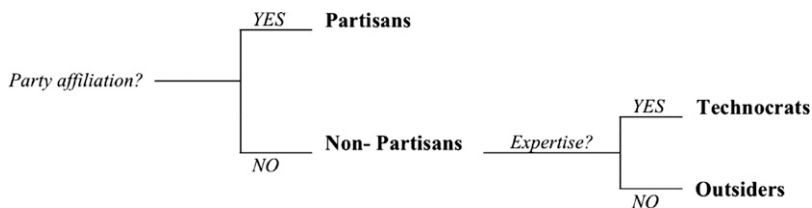
**1. Portfolio Reallocation is a Political Instrument for Managing Different Resources** The literature suggests that heads of government allocate portfolios with the goal of optimizing three important resources: political support (governability), technical skills (competence),

and loyalty (preference alignment). Political support is maximized through the appointment of ministers affiliated with external collective actors, such as parties or mass organizations. The crafting of legislative coalitions by a *formateur* is the most common and the best-studied mechanism of this kind, but it is not the only strategy to ensure governability.<sup>7</sup> Cabinet appointments also secure support from organized groups such as trade unions, churches, and the military, which can be crucial in certain historical contexts. In turn, technical skills are secured through the appointment of expert ministers with formal instruction or administrative experience in relevant areas. The literature has focused on the skills of those responsible for market-oriented reforms, but concerns about expertise also affect most cabinet appointments and are independent of ideological preferences.<sup>8</sup> Furthermore, proximity in policy preferences between the chief executive and cabinet members has been a critical factor in studies underscoring adverse selection and moral hazard problems.<sup>9</sup> We therefore consider the alignment of cabinet preferences as the third goal pursued through portfolio reallocation strategies.

Although the three goals are not mutually exclusive, political support, technical skills, and loyalty are hard to maximize simultaneously, and they may become more or less salient in different contexts. We argue that different types of ministers map distinctively into these priorities. Partisan ministers, who command strong political affiliations, are uniquely positioned to deliver political alliances. Technocrats, who command expertise, are renowned for their competence. Lastly, ministers without party ties or independent policy expertise are more prone to behave as loyal agents of the chief executive. We refer to members of the third group as outsiders.

Figure 1 summarizes our typology of minister profiles. This typology underscores an important conclusion commonly overlooked by dichotomous classifications. To the extent that the search for technical skills and loyalty presents important tradeoffs, the appointment of non-partisan ministers by the head of the government may serve opposite purposes.

**Figure 1** Minister Profiles



**2. Government Heads May Choose between Cooperative and Unilateral Reallocation Strategies**

It follows from previous paragraphs that the executive may allocate cabinet portfolios to pursue different strategies. We define as cooperative any management of portfolios oriented towards the inclusion of “other” parties or social actors in the cabinet and as unilateral any management of portfolios oriented towards the inclusion

of the chief executive's "own" people. Although the specific meaning of "others" and "own" varies across cases and historical circumstances, we claim that the choice over those strategies constitutes the main causal mechanism linking government approval and minister retention. Unilateral strategies are easy to sustain when the chief executive is politically strong, and cooperative strategies are necessary when the chief executive is politically weak.

Our distinction resonates with a broader literature that describes the contrast between consensual and majoritarian models of policymaking, "statutory" and "executive" policymaking strategies, and pluralist and majoritarian styles of presidentialism.<sup>10</sup> Yet, it allows us to conceptualize government styles beyond the creation of formal multi-party coalitions. For instance, the head of a single-party cabinet recruiting partisan ministers who previously opposed the leader's nomination within the party would be an instance of the cooperative modality, while the head of a coalition cabinet using his or her party quota to nominate outsiders who are personally loyal to the individual leader would be an instance of the unilateral strategy.<sup>11</sup>

**The Power of the Chief Executive is Volatile** The political strength of governments has been commonly assessed through indicators that present limited variation (if any) during the life of an administration, such as the composition of the legislature and the constitutional powers of the executive branch. However, actual leverage of government leaders may fluctuate significantly over time. Argentine President Fernando de la Rúa illustrates this fact in dramatic ways. Sworn into office with considerable electoral, legislative, and party support in late 1999, he was forced to resign before completing the first half of his term in 2001. Following an opposite trajectory, Argentine President Néstor Kirchner started his administration with limited electoral and legislative support in 2003 but managed to finish his administration in 2007 as one of the most successful presidents in the country's history. Thus, the need to secure political support, technical competence, or personal loyalty may vary during the lifetime of an administration. Recent studies underscore the relevance of maintaining legislative support after the initial moment of cabinet formation and show that the use of executive prerogatives is mainly conditioned by the political context.<sup>12</sup>

To the extent that government strength can be a volatile factor, public approval for the chief executive is the most sensitive indicator reflecting its fluctuation over time. Approval rates are a real-time indicator of possible electoral outcomes and as such facilitate (or imperil) the relations of the government with the legislature, the ruling party, and the main interest groups. As a marker of specific support, popularity creates incentives for the alignment of partisan ministers with the goals of the chief executive and strengthens the credibility of technocrats blessed by the administration.

Our main argument is that approval rates condition the ways in which government chiefs can employ portfolio reallocation strategies to manage political support, technical expertise, and internal alignments in the cabinet. When government leaders are popular, they can avoid the more complex, time-consuming, and conceding cooperative modalities. Strong leaders are able to implement unilateral strategies in the management of

cabinet portfolios, protecting close party members but replacing more distant partisan ministers to the extent that coalition agreements allow them to do so. With governability assured, articulators of political support will be kept in the cabinet as long as they do not challenge the chief executive. At the same time, the protection of ministers with technical skills becomes a priority, as they are critical to sustain the successful policies that generate public support. Heads of government may also preserve loyal outsiders in office, but they have few reasons to do so. Given the incentives of all ministers to align with the chief executive, mere loyalty is not a wholly advantageous quality when securing one's position in the cabinet.

By contrast, the leaders of unpopular governments are forced to adopt more cooperative strategies in order to secure governability. In bad times, coalition members who represent other parties, or even alternative factions within the ruling party, may abandon the cabinet to distance themselves from the government, and the chief executive often needs to renegotiate the composition of the government. Even though technocrats may promise successful outcomes over the long run, public pressures against unpopular policies may force their removal. In this context, incentives for shirking among cabinet members are great, and outsiders may be the only source of loyalty in the cabinet. Yet, because of their limited weight, outsiders are also easier to replace as part of reallocation bargains.<sup>13</sup>

The three claims developed in this section suggest two sets of hypotheses. The first one refers to the effects of public support on cabinet stability, indicating that

H1: The higher government approval, the lower the risk of exit (i.e., the longer the survival) for partisan as well as technical ministers; yet

H2: Government approval does not affect the survival of outsiders.

The second set of hypotheses underscores the heterogeneous nature of non-partisan ministers, indicating that

H3: Technocratic ministers will confront a lower risk of exit than partisan ministers when governments are popular but a similar (or higher) risk when governments are unpopular; while

H4: Outsiders will confront a higher risk of exit than partisan ministers when governments are popular but a similar (or lower) risk when they are unpopular.

The two sets of hypotheses are logically related. Hypotheses 1 and 3 suggest that public approval will benefit partisan and technical ministers, but technocrats should benefit considerably more when policies are successful. Hypotheses 2 and 4 suggest that the effect of approval on the fate of outsiders is uncertain and thus partisan ministers and, by implication, technocrats will gain a relative advantage during periods of greater public support. Together, these hypotheses underscore that non-partisan ministers are far from being a uniform group.

## Minister Profiles: An Operational Definition

The previous section has emphasized that different minister profiles are functional to secure different political resources. For instance, while partisan ministers are more able to mobilize support from their parties in parliament, experts provide more technical skills. However, two issues complicate the operationalization of minister profiles. Our discussion above suggests that non-partisan ministers are a heterogeneous group. Additionally, ministerial traits may be present to different extents. Ministers may have stronger or weaker party affiliations, or they may display more or less expertise in a policy area. Here we propose an operational definition of minister profiles that deals with those challenges.

As reflected in Figure 1, the main distinction between minister profiles introduced by the literature is driven by party affiliation, which results in the identification of partisan and non-partisan cabinet members. In turn, the most distinguishing feature among the latter is expertise, which allows for the distinction between experts and outsiders. Let  $A$  refer to the set of ministers with strong party affiliations and  $E$ , to the set of individuals with technical expertise. Because the ideal type of a technocrat refers to a minister who is an expert and lacks strong political affiliations, we define this set as  $T \equiv (E \cap A')$ , where  $E$  denotes membership in the set of technical experts and the superscript for  $A$  denotes the complement (i.e., negation) of the set of ministers with an affiliation. In turn, because the ideal type of an outsider refers to individuals with no political affiliation and no expertise, we define this set as  $O \equiv (E' \cap A')$ .

Given this conceptual scheme, any operational definition of minister profiles must rely on systematic criteria to determine a minister's membership in the sets of technical experts and of politically affiliated officials. Membership in those groups, however, is not clear-cut. For instance, an outsider who remains in office through several administrations of the same party may be increasingly recognized as a partisan. This transition illustrates a progressive passage from not being a member of set  $A$  to becoming a full member. To the extent that affiliation and expertise are variable attributes, the minister types identified in Figure 1 should be considered poles in a continuous property space rather than discrete categories.

In order to capture the idea of partial membership in any given set, we employ fuzzy set notation.<sup>14</sup> Rather than being dichotomous and exclusive, membership in a fuzzy set is determined by a continuous function ranging between 0 and 1, with 0 indicating the complete absence of the attribute, 1 the complete presence of the attribute, and 0.5 being the cross-over point—values below the cross-over point indicate that an element is “rather outside” the set and values above indicate that the element is “rather inside” the set. The degree of membership in the complement (negation) of a fuzzy set is given by  $1 - f_i$ , where  $f_i$  is the membership score for element  $i$  in the category that is negated. In turn, the degree of membership at intersection of two fuzzy sets is defined by the minimum score for the two membership functions. This approach provides greater flexibility to code the nuances of minister profiles while preserving a logically consistent conceptual framework. We operationalize the two constitutive sets using empirically observable attributes as follows.

**Technical Expertise (*E*)** Following the literature, we identify technical expertise with the presence of ( $E_1$ ) advanced academic training in the policy field; or ( $E_2$ ) extensive on-the-job training in the specific bureaucracy. The first item is coded trichotomously, with values of 0 if the minister has a degree unrelated to the portfolio area, 0.5 if the minister has a related B.A. or equivalent (e.g., B.A. in economics for ministers of Economics and Finance, in medicine for ministers of Public Health), and 1 if he or she has a related graduate degree (M.A., M.S., M.B.A., Ph.D., or equivalents). The second item was defined as an ordinal scale reflecting whether the minister had administrative experience in the specific policy area or professional experience in a related field (e.g., school administrators for ministers of Education, union leaders for ministers of Labor) and the amount of that experience. We assign values of 0 if the minister has never worked in a related field before, 0.25 if he or she served in a related field during one administration, 0.50 if he or she previously served in the same policy area in one administration, 0.75 if he or she served in a related field for more than one administration, and 1 if he or she acquired experience in the specific policy area for more than one administration. Because the two attributes  $E_1$  and  $E_2$  are interchangeable, membership in set  $E$  is defined as the maximum score for  $E_1$  and  $E_2$  (i.e., as the union of the two conditions).

**Political Affiliation (*A*)** The idea of affiliation reflects the extent to which a given minister serves as the agent of a party (or any other group) in the cabinet or simply represents his or her personal views. We coded five dichotomous indicators reflecting whether the press identified the minister as ( $A_1$ ) a well-known member of a political party, ( $A_2$ ) a leader of the trade unions, ( $A_3$ ) a representative of business associations, ( $A_4$ ) a spokesperson for powerful groups (the military, the church, the bureaucracy, etc.), and ( $A_5$ ) a sympathizer of a political party or an individual with personal ties to the president. The membership function is an ordinal scale: 1.00 for ministers affiliated with a political party, 0.50 for ministers affiliated with other political organizations, 0.25 for party sympathizers or individuals related to the president, and 0.00 for ministers with no affiliation. If an individual met more than one condition, we used the highest score to capture the strongest affiliation.

Based on the operationalization of the two components, membership in the set of technocrats and outsiders was measured as:

$$[1] \quad \textit{Technocrat} = \min(E, (1 - A))$$

$$[2] \quad \textit{Outsider} = \min((1 - E), (1 - A))$$

where *min* denotes the minimum membership score (i.e., the intersection of the two defining conditions),  $E \equiv \max(E_1, E_2)$ , and  $A \equiv \max(A_1, 0.5A_2, 0.5A_3, 0.5A_4, 0.25A_5)$ . The resulting variables range between 0 (e.g., for non-technocrats of any kind) to 1 (e.g., full members of the technocratic “club”). The degree of membership in the set of partisan ministers is given by  $A$ ; full members of this group are by implication individuals for whom the variables “Technocrat” and “Outsider” have a score of 0.

## **Data and Method**

The Argentine political system is a crucial case for testing our hypotheses. It is among the democracies with the highest levels of minister turnover, and it presents considerable variance for our key explanatory variables as well as for most alternative explanations. Additionally, it is a presidential system, which assures that decisions about portfolio reallocation are mainly handled by the head of the government. This tendency towards a “presidential” control of portfolios is also expanding in parliamentary democracies.<sup>15</sup>

In order to test our hypotheses we observed all 159 ministers in office in seven Argentine administrations from 1983 to 2011. The boundaries of administrations are defined by presidents’ inauguration dates. The dependent variable is the duration of each minister in a specific portfolio. Because we are interested in the use of portfolio reallocation during the administration’s lifecycle, we treated all ministers leaving the portfolio at the end of the administration as censored cases. Exits caused by health reasons were censored as well. We identified 94 ministers leaving their portfolios in the midst of an administration.

The key explanatory factors in our argument are public approval for the government and minister profiles. Our independent variable approval reflects the proportion of respondents who approved the work of the incumbent administration in national polls between 1983 and 2011. Aggregate monthly figures were compiled from surveys conducted by IPSOS-Mora y Araujo, and the data were interpolated to impute missing values.<sup>16</sup> The evolution of this predictor includes peaks of popularity for Raúl Alfonsín in 1984, Carlos Menem in 1989, Fernando de la Rúa in 1999, and Néstor Kirchner in 2003. The average approval rate was 45 percent with a minimum of 7 percent to a maximum of 84 percent.

To capture minister profiles, two additional independent variables follow the operational definition of “Technocrat” and “Outsider” proposed in the previous section. The average membership score in the set of technocrats is 0.30, while the average score for outsiders is 0.19. About 43 percent of the ministers in our sample are members of the set of “technocrats” to some extent: 1.7 percent of the ministers have a membership score of 0.25; 14.3 percent of 0.50; 16.6 percent of 0.75; and 10.3 percent match the ideal type of technocrat, with a membership score of 1.0. In turn, about 34 percent of the ministers have some membership in the set of “outsiders”: 8 percent at 0.25; 10.3 percent at 0.50; 13.7 percent at 0.75, and 1.7 percent at 1.0.

Following the previous literature, we introduce three sets of control variables. The first set reflects the institutional context. “Minority” captures whether the president’s party or coalition has a minority in any of the legislative chambers. We observed minority governments for about half of the period in our study. “Coalition” registers whether the cabinet includes members of parties other than the president’s. Only two out of seven administrations had coalition cabinets. These attributes are commonly used by the literature to measure institutional constraints and government strength. In addition, all administrations in our sample were controlled by either the PJ (Partido Justicialista) or the UCR (Unión Cívica Radical). Because those parties have different

levels of institutionalization and styles of leadership, “UCR” is an indicator that captures whether ministers belong to an administration of the Radical party. The possibility of reelection and the time left to the end of the term have been identified as critical factors affecting the strategic use of portfolio reallocation.<sup>17</sup> “Re-eligible” indicates whether the incumbent president can run for immediate reelection (we observed five re-eligible presidents out of the seven), while “calendar” measures the number of days left to the date of the next presidential inauguration (as provided by the constitution). As indicated previously, research on ministerial expertise has paid special attention to officials in charge of the economy.

As far as we know, there is no evidence indicating that ministerial tenures are shorter or more fragile in some portfolios than others. However, because economic management has been the main concern for most Argentine presidents since 1983, we include a dichotomous variable that identifies ministers of “Finance.” Adding controls for other ministries did not alter the results.<sup>18</sup>

The second set of control variables registers the state of the economy, a conventional explanation for portfolio reallocation. “Growth” records quarterly percent change in the gross domestic product, and “inflation” registers the monthly percent change in consumer prices. Both indicators were taken from the Argentine National Institute of Statistics and the Census (INDEC). Average economic growth was 3.3 percent, ranging from -16.3 percent to 12.6 percent, while average inflation was 5.7 percent ranging from -0.75 to 196.6 percent.<sup>19</sup> Since market-oriented policies were presumably related to the presence of technocrats in the cabinet, we introduce a dichotomous variable to capture the period when the “neoliberal” economic plan (“Plan de Convertibilidad”) was in force (April 1991–December 2001).

The last set of control variables registers the individual background of ministers, including their age and gender. In models not including the measure of technocracy, we also control for whether a minister was an economist and his or her level of formal education (basic, college, graduate). The average “age” of the observed ministers was fifty-two years, ranging from thirty to seventy-four; only 9.4 percent of them were “women.” Less than 9 percent had only basic education while about 25 percent had a graduate degree. “Economists” represent 23 percent of the observations.

We model the duration of ministers in office using a Cox proportional hazards model, which estimates the probability that a minister will exit the portfolio at time  $t$ . The use of a semi-parametric model allows us to analyze this phenomenon without assuming a specific shape for the hazard function.

## Results

Table 1 presents the results of the hazard analysis of minister turnover. The effect of each covariate is shown in the table as a hazard ratio. Model I estimates the unconditional effect of presidential approval on minister turnover, controlling for the covariates related to institutional features (“minority,” “coalition,” “UCR,” “re-eligible,” “calendar,”

**Table 1** Proportional Hazard Models of Minister Duration

	<b>I</b>	<b>II</b>	<b>III</b>	<b>IV</b>
<b>Approval</b>	.976** (.009)	.976* (.009)	.973* (.011)	.972° (.017)
<b>Technocrat</b>	-	.422* (.146)	.806 (.574)	.810 (.578)
<b>Outsider</b>	-	1.583 (.567)	.378 (.325)	.373 (.256)
Technocrat*Approval	-	-	.984 (.017)	.983 (.017)
Outsider*Approval	-	-	1.036° (.020)	1.037° (.020)
<b>Institutional Attributes (Strength)</b>				
Minority	1.300 (.443)	1.239 (.428)	1.175 (.411)	1.167 (.412)
Coalition	1.188 (.703)	.988 (.593)	1.025 (.598)	0.974 (.692)
<b>Institutional Attributes (Other)</b>				
UCR party	1.607 (.699)	1.776 (.771)	2.014 (.878)	2.095 (1.122)
Re-eligible	1.813 (.686)	1.931° (.731)	1.856 (.702)	1.914 (.862)
Calendar	1.000* (.000)	1.000° (0.000)	1.000° (.000)	1.000 (.000)
Finance Portfolio	1.990 (.799)	2.525** (.866)	2.451** (.847)	2.455* (.849)
<b>Economic Conditions</b>				
Inflation	1.102* (.005)	1.011* (.005)	1.010° (.005)	1.010° (.006)
Growth	.971 (.023)	.972 (.023)	.975 (.023)	.977 (.026)
Neoliberalism	.942 (.273)	.867 (.257)	.865 (.256)	.861 (.258)
<b>Individual Features</b>				
Age	.982 (.016)	.993 (.015)	.996 (.015)	.996 (.015)
Woman	.821 (.320)	.905 (.355)	.886 (.348)	.878 (.350)
Economist	.678 (.229)	-	-	-
Basic Education	1.007 (.379)	-	-	-
Graduate Education	.740 (.197)	-	-	-
<i>Control function</i>				1.002 (.020)
LR $\chi^2$	(15) 47.72	(14) 53.55	(16) 58.26	(17) 58.27
Log likelihood	-373.43	-370.51	-368.16	-368.15
Prob > chi2	0.000	0.000	0.000	0.000
Observations	6727	6727	6727	6727
Subjects	159	159	159	159
Failures	94	94	94	94

Entries are hazard ratios (standard errors in parentheses); ° p < .10, \*p < .05, \*\*p < .01.

and “finance”), economic factors (“economic growth,” “inflation,” and “neoliberalism”), and individual backgrounds (“age,” “woman,” “economist,” “basic education,” and “graduate education”). Model II introduces the two non-partisan profiles (“technocrat” and “outsider”) as predictors, keeping partisan ministers as the category of reference. Presenting our main results, Model III assesses the conditional effects of popular approval and minister profiles. Model IV addresses issues of endogeneity, discussed in the next section. Equations II through IV exclude three individual background variables that contain information already incorporated by the minister profile scores (“economist,” “basic education,” “graduate education”).

Model I shows a significant and negative effect of presidential approval on the risk of exit. Each additional percentage point of popular support for the president reduces the relative risk of a minister leaving his or her portfolio by about 2 percent. This result confirms previous findings as well as general presumption that weak presidents are inclined to engage in portfolio reallocation to manage adverse conditions.

Regarding institutional controls, both “coalition” and “minority” have positive but insignificant effects. “Calendar” shows a significant and positive effect, suggesting that the longer the time to the end of the term, the higher the risk of ministers leaving office. All other institutional attributes have insignificant effects, indicating that ministers were equally exposed to anticipated exits irrespective of whether presidents belonged to the “UCR” or PJ or whether they could be re-elected. Ministers occupying the “finance” portfolio appeared to be at greater risk; this effect is not significant in Model I, but it becomes statistically significant in Models II and III. Results remain similar in models also controlling for portfolios in Interior, Defense, Foreign Affairs, and the Chief of Staff, and in models with random frailties.

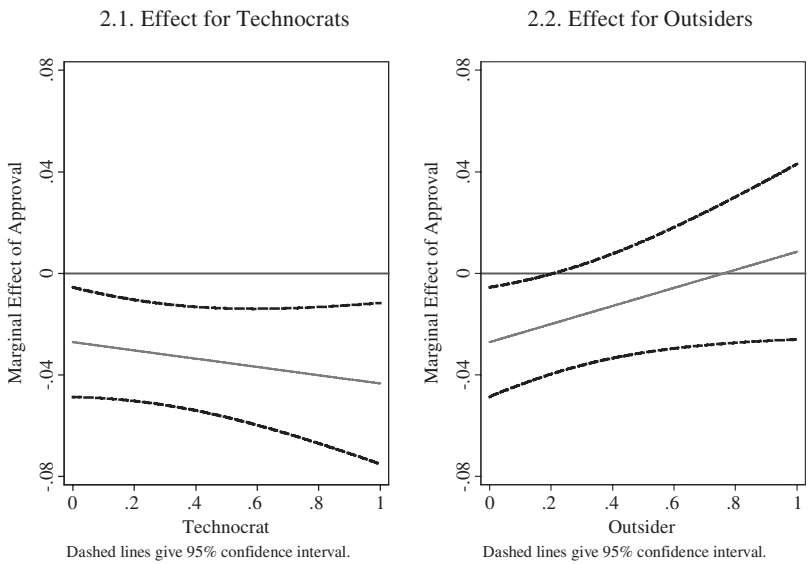
Among the set of economic covariates, only “inflation” encouraged portfolio reallocations, while “economic growth” and “neoliberalism” present insignificant effects. Finally, none of the variables capturing ministers’ individual backgrounds present significant effects.

Model II estimates the risk for technocrats and outsiders when compared to partisans (the reference category when both fuzzy membership scores are zero). This model confirms that non-partisan ministers are a heterogeneous group with different career dynamics. While “technocrats” show a lower (and statistically significant) risk of exit, “outsiders” present a greater (but statistically indistinguishable) risk than partisan ministers. The effect of “approval” remains negative and significant.

Our argument, however, is that presidents protect or remove cabinet members depending on popular approval and the minister’s profile. Model III evaluates our hypotheses about conditional effects by including two interaction terms: “technocrat\*approval” and “outsider\*approval.” In this model, the coefficient for approval captures the effect of government popularity for partisan ministers (i.e., when individuals score 0 for both “technocrat” and “outsider”). This effect remains negative and significant: consistent with Hypothesis 1, partisan ministers are more secure in their posts when the government is politically stronger.

Hypothesis 1 also anticipates that technocrats should be safer in contexts of higher popular support. By contrast, our second hypothesis suggests that the survival of outsiders should be independent from government approval. To assess these empirical expectations, Figure 2 compares the marginal effects of approval for different degrees of membership in the sets of technocrats (2.1) and outsiders (2.2). The figure supports both predictions: the effect of approval is negative (i.e., reduces the risk of exit) for partisan as well as technocratic ministers, but it is statistically indistinguishable from zero for ministers with any meaningful degree of membership in the set of outsiders.

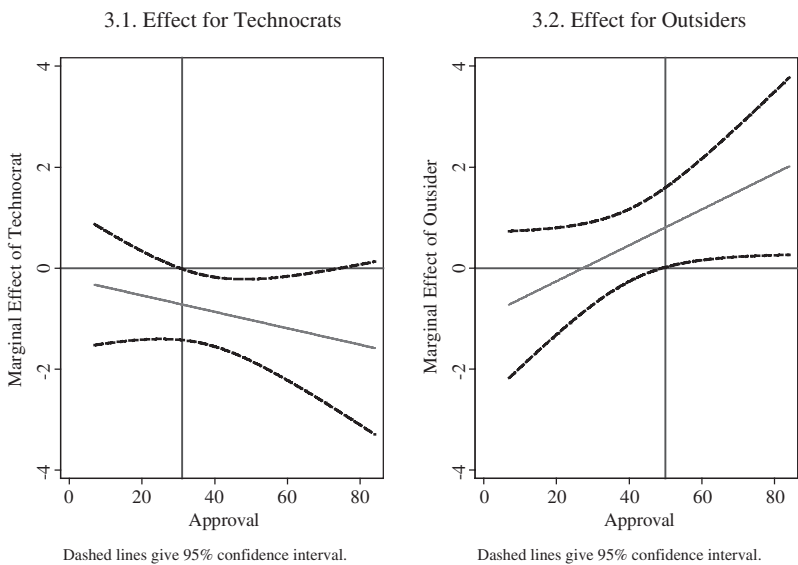
**Figure 2** Marginal Effect of Presidential Approval for Technocrats and Outsiders



Note: Values in the vertical axis represent conditional Cox regression coefficients (95% confidence intervals) for Model III. The value when membership in the fuzzy sets is zero (−0.026) reflects the unconditional effect for partisan ministers. The second mediating variable is set to zero in each graph.

Hypotheses 3 and 4 focus instead on the consequences of minister profiles for minister tenure. They predict that when governments are popular, technocrats will confront a lower risk of exit, but outsiders will confront a greater risk of exit than partisan ministers. Testing these hypotheses requires reversing the analysis of conditional effects for Model III. Rather than comparing the effect of approval for different minister profiles, in Figure 3 we contrast the marginal effect of profiles at different levels of presidential approval.

**Figure 3** Effect of Minister Profiles at Different Levels of Government Approval



Note: Values along the vertical axis represent conditional coefficients for Cox regression model III (dashed lines are 95% confidence intervals).

Figure 3.1 reflects the consequences of being a technocrat for tenure stability. The coefficient for “technocrat” in Model III captures the expected effect of individual expertise (i.e., of becoming a full member of the technocratic group) when presidential approval is 0. In this hypothetical scenario, the effect is negative but non-significant. The interaction “technocrat\*approval” reflects the marginal change in the effect of technocracy for each additional percentage point in presidential popularity. The first panel of Figure 3 shows that the conditional coefficient for “technocrat” (that is, the effect of technocracy when approval is greater than zero) is negative and significant (at  $p < .05$ ) for the most relevant range of approval levels. The effect becomes significant when “approval” is above 30 percent, with a hazard ratio ranging from 0.49 (when approval is at 31 points) to 0.26 (at 70 points). That is, when presidential popularity is high, the relative risk of technocrats leaving their portfolios is 74 percent lower than the risk for non-technocratic ministers.

Similarly, Figure 3.2 assesses the conditional effect of being an outsider at different levels of popular approval. The coefficient for “outsider” in Model III captures the expected consequences of being an individual with no expertise and no party affiliation when presidential approval is 0. As in the previous case, the effect is negative and not-significant. The interaction “outsider\*approval” reflects the marginal change in the effect of “outsider” for each additional percentage point in the presidential popularity. This estimate is positive and significant. The second panel of Figure 3 shows that the

conditional coefficient for “outsider” becomes positive and significant (at  $p < .05$ ) when approval is above 49 percent, with a hazard ratio ranging from 2.24 (when approval is at 50 points) to 6.52 (at 80 points). That is, when presidential popularity is very high, the risk of outsiders leaving their portfolios is more than six times greater than the risk confronted by other ministers.

The comparatively fragile position of outsiders when the government is popular does not reflect an intrinsic change in the position of these ministers in the cabinet. Figure 2.2 showed that public support does not affect the tenure of outsiders. However, Figure 2.1 offers strong support for our first hypothesis anticipating a longer tenure for technocrats and partisans. Therefore, it follows that the relative increase in the proportional hazard for outsiders when government approval is high simply reflects the safer position achieved by the other two groups under such favorable political conditions.

The systematic analysis of conditional effects of popular approval and minister profiles shows that the fate of different ministers is hard to distinguish when adverse political conditions force governments to engage in reactive portfolio reallocation strategies. However, minister types matter above some threshold of popular approval. Differences in the length of minister tenure become more pronounced as popularity increases and the government is able to employ reallocation strategies more proactively. Our findings clearly support the theoretical expectations articulated in the second section.

### **Endogeneity Concerns**

A potential concern with the findings presented in Table 1 is that presidential approval rates may be correlated with the residual of equations I through III. Reverse causality or (more plausibly) omitted variables could cause endogeneity bias. For example, presidential approval would be endogenous if charismatic presidents were more likely to mobilize mass popular support and also to retain faithful ministers for longer periods. An increase in presidential charisma would simultaneously make the administration more popular and its ministers more durable. But because presidential charisma cannot be measured directly and is omitted from the equation, residual variance in minister duration would be correlated with approval. As a result, empirical estimates for the effect of approval on minister survival would be biased (upward).

Conventional treatments of endogeneity based on instrumental variables are complicated in this context by two features of our study. First, the effect of the potentially endogenous variable is mediated by minister profiles (“technocrat” and “outsider”), meaning that estimates for the two interaction terms may also be biased. Second, because the main equation is a proportional hazards model, most available implementations of 2SLS or GMM estimators are of little use.

To overcome these limitations, we introduce a control function in Model IV. The control-function approach relies on the same foundations of instrumental variable

models, but it allows for a more flexible implementation in non-linear settings.<sup>20</sup> The estimator is implemented in two stages: in the first stage, we predict presidential approval using the exogenous variables and four additional instruments, discussed below. We retrieve the residual of this equation as the control function. In the second stage we re-estimate the proportional hazards model, adding the control function as an independent variable. In a linear model, this procedure yields the same estimates as the 2SLS estimator, but in a model with interaction terms, it produces more reliable estimates of the parameters of interest.

In order to instrument presidential approval, we added four exogenous predictors to the first-stage equation.<sup>21</sup> The first two items reflect the performance of the Argentine soccer team in the World Cup. We do not claim that soccer dominates the Argentine political mood: presidential approval declined consistently after June 1986, when Argentina won the World Cup, and improved consistently after 1990, when Argentina ended as the runner-up. But a strong performance in the World Cup presumably boosts public sentiment while poor results negatively impact public opinion.

To capture those effects, we included a dummy variable reflecting the timing of the World Cup in June and July every four years, and another dummy capturing when the team made it to the final game. The effect of both variables is significant at  $p < .01$ . The first coefficient is negative (-2.1) and the second one is positive (7.4), indicating that bad soccer outcomes slightly hurt presidential approval, while good results lift approval by about 5 percentage points.

The third instrument reflects the growth rate of China's GDP (World Development Indicators). An expansion of China's economy produces a favorable environment for Argentina's agricultural exports, indirectly boosting public revenue and thus the image of the incumbent administration. The coefficient for this variable is positive and significant ( $p < .01$ ), suggesting that a point of economic growth in China represents an improvement of 1.9 percent for the image of the president in Argentina.

Our last instrument takes advantage of the institutional design of presidential regimes. Comparative studies indicate that presidential approval declines considerably by the third quarter in office.<sup>22</sup> Unlike heads of government in parliamentary regimes, presidents cannot control the election calendar, so the timing for this effect in the series is determined exogenously by constitutional design. We included a dichotomous indicator capturing the first six months in office of elected presidents. The coefficient was positive and significant, reflecting, on average, a honeymoon advantage of twenty-nine points ( $p < .01$ ).<sup>23</sup>

The results of the equation including the control function, presented as Model IV, indicate that our initial estimates are reliable even after accounting for potential endogeneity. Estimates in Models III and IV are almost equivalent in size. Statistical significance for the effect of presidential approval declines slightly for partisan politicians ( $p < .10$ ), but it remains at conventional levels for technocrats. The conditional hazard ratio for a unit increase in presidential approval when the minister is a technocrat is 0.96 ( $p < .05$ ). Consistent with our previous findings, the effect remains insignificant for outsiders (1.00,  $p = .72$ ).<sup>24</sup>

## **Conclusion**

Our results underscore four important conclusions for the emerging literature on cabinet portfolio reallocation. First, although cabinet reshuffling has been conventionally presented as a reactive strategy employed to confront adverse situations, we have shown that portfolio reallocation can be employed as a proactive tool. When governments are weak, the chief executive may be forced to pursue cooperative strategies to appease the opposition, but when governments are strong, leaders have great leeway to consolidate their control over the cabinet. The empirical evidence indeed confirms that minister survival is considerably more fragile during hard times, but it also shows that leaders are able to engage in selective choices about minister retention when they secure popular support.

Second, the analysis of the Argentine case questions static definitions of government strength focusing exclusively on institutional conditions, such as the level of partisan support in the legislature or the constitutional prerogatives of the executive branch. Because government approval is a real-time proxy for electoral outcomes, it drives the alignment of most political actors in the cabinet and the legislature even while institutional factors remain stable over the short run. Our analysis documented a consistent effect of public support on minister survival, even after we accounted for possible endogeneity of approval rates.

Third, our operationalization of minister types has challenged the assumption that career profiles can be properly captured by a clear-cut dichotomy. We started from the conventional distinction between partisan and non-partisan ministers but augmented the typology by identifying two distinct non-partisan profiles: technocrats, who command ample competence in a given policy area, and outsiders, who lack partisan affiliation as much as expertise. Decisions to retain or replace ministers of each type reflect divergent incentives, as government leaders seek to maximize different political resources: governability, competence, and loyalty. Moreover, we have argued that minister profiles should be fruitfully conceptualized as continuous rather than discrete personal attributes and advanced an operationalization based on fuzzy-set theory.

A more nuanced conceptualization of government strength and minister profiles leads to a reconsideration of the claim that conventionally links non-partisan ministers and the de-politicization of public policy. Our findings indicate that technocrats enjoy longer tenures when the government is popular and the chief executive can claim credit for successful policies. At the same time, loyal outsiders remain unscathed by shifts in public approval. The interaction of credit-claiming and loyalty-procuring incentives for government leaders creates a pattern by which non-partisan ministers are hard to distinguish (among themselves and *vis-à-vis* partisans) in bad times, but technocrats have safer jobs than outsiders in good times.

Each of the four lessons opens new venues for theory development and empirical research in the field of cabinet reallocation strategies. Because data limitations constrained our analysis to a single country, further studies will be needed to explore these insights in other geographic or institutional contexts. It is undeniable, however, that

the management of cabinet portfolios has great political significance beyond the initial moment of government formation.

## NOTES

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1. See Samuel Berlinski, Torun Dewan, and Keith Dowding, *Accounting for Ministers. Scandals and Survival in British Government 1945–2007* (Cambridge: Cambridge University Press, 2012).

2. See Cecilia Martínez Gallardo, “Out of the Cabinet: What Drives Defections from the Government in Presidential Systems?” *Comparative Political Studies*, 45 (January 2012), 62–90.

3. See the SEDEPE network datasets, available at <http://sedepe.net/>.

4. Octavio Amorim Neto and Kaare Strøm, “Breaking the Parliamentary Chain of Delegation: Presidents and Non-Partisan Cabinet Members in European Democracies,” *British Journal of Political Science*, 36 (October 2006), 619–43; Pedro Tavares de Almeida, Antonio Costa Pinto, and Nancy Bermeo, eds., *Who Governs Southern Europe? Regime Change and Ministerial Recruitment, 1850–2000* (London: Frank Cass, 2004).

5. See Miguel Angel Centeno and Patricio Silva, eds., *The Politics of Expertise in Latin America* (New York: St. Martin’s Press, 1998).

6. Wilma Bakema and Ineke Secker, “Ministerial Expertise and the Dutch Case,” *European Journal of Political Research*, 16 (March 1988), 153–70.

7. See Kaare Strom, Ian Budge, and Torbjorn Bergman, eds., *Cabinets and Coalition Bargaining: The Democratic Life Cycle in Western Europe* (Oxford: Oxford University Press, 2008).

8. Carlos de la Torre, “El Tecnopopulismo de Rafael Correa ¿Es Compatible el Carisma con la Tecnocracia?” *Latin American Research Review*, 48 (Spring 2013), 25–43; Maria Escobar-Lemmon and Michelle Taylor-Robinson, “Getting to the Top: Career Paths of Women in Latin American Cabinets,” *Political Research Quarterly*, 62 (December 2009), 685–99.

9. John Huber and Cecilia Martínez-Gallardo, “Replacing Cabinet Ministers: Patterns of Ministerial Stability in Parliamentary Democracies,” *American Political Science Review*, 102 (May 2008), 169–80; Indridi Indridason and Christopher Kam, “Cabinet Reshuffles and Ministerial Drift,” *British Journal of Political Science*, 38 (October 2008), 621–56.

10. Arend Lijphart, *Patterns of Democracy* (New Haven: Yale University Press, 2012); Octavio Amorim Neto, “The Presidential Calculus: Executive Policy Making and Cabinet Formation in the Americas,” *Comparative Political Studies*, 39 (May 2006), 415–40; Jorge Lanzaro, “Presidencialismo con Partidos y sin Partidos,” in Jorge Lanzaro, ed., *Presidencialismo y Parlamentarismo. América Latina y Europa Meridional* (Madrid: Centro de Estudios Políticos y Constitucionales, 2013), 15–62.

11. Magna Inácio, “Escogiendo Ministros y Formando Políticos: Los Partidos en Gabinetes Multipartidistas,” *América Latina Hoy*, 64 (2013), 41–66.

12. Eric Raile, Carlos Pereira, and Timothy Power, “The Executive Toolbox: Building Legislative Support in a Multiparty Presidential Regime,” *Political Research Quarterly*, 64 (June 2011), 323–34; Selena Grimaldi, *I Presidenti Nelle Forme Di Governo. Tra Costituizione, Partiti e Carisma* (Rome: Carocci, 2012).

13. Notice that, because departures from the cabinet reflect an overall reallocation strategy, they do not necessarily indicate the failure of an individual occupying the specific portfolio.

14. Lofti A. Zadeh, “Fuzzy Sets,” *Information and Control*, 8 (June 1965), 338–53.

15. Thomas Poguntke and Paul Webb, eds., *The Presidentialization of Politics in Democratic Societies: A Framework for Analysis* (Oxford: Oxford University Press, 2005).

16. The survey item reads: “In general, do you approve or disapprove the work the national government is doing?” Because the number of categories in the response scale changed in 2004, we applied a correction for later data equivalent to the one used by Carlos Gervasoni in “A Rentier Theory of Subnational Regimes: Fiscal Federalism, Democracy, and Authoritarianism in the Argentine Provinces,” *World Politics*, 62 (April 2010),

302–40. Mora y Araujo conducted surveys since October 1984; to anchor the interpolation we employed a data point from a survey conducted by Edgardo Catterberg in April 1984.

17. Marcelo Camerlo and Aníbal Pérez-Liñán, “Minister Turnover, Critical Events, and the Electoral Calendar in Presidential Democracies,” *ICS Working Papers 2*, (University of Lisbon, 2013).

18. We estimated additional models including controls for ministers of Finance, Interior, Foreign Affairs, Defense, and the Chief of Staff. In addition, and in order to deal with unobserved sources of heterogeneity, we estimated a frailty model with latent risk varying by portfolio. The results, available on request, remained consistent with the findings presented below.

19. INDEC figures for the consumer price index have been seriously questioned since 2007. We do not attempt to adjust the series for this (downward) bias in the analysis.

20. James Heckman, “Dummy Endogenous Variables in a Simultaneous Equation System,” *Econometrica*, 46 (July 1978), 931–59.

21. To save space, we do not report the first-stage model, but results are available in the replication file for this study.

22. Ryan Carlin, Cecilia Martínez-Gallardo, and Jonathan Hartlyn, “Executive Approval Dynamics Under Alternative Democratic Regime Types,” in Douglas Chalmers and Scott Mainwaring, eds., *Problems Confronting Contemporary Democracies: Essays in Honor of Alfred Stepan* (Notre Dame: University of Notre Dame Press, 2012), 203–26.

23. To assure exogeneity for this instrument, the indicator does not code a honeymoon for second terms in office, for Eduardo Duhalde (appointed after de la Rúa) and for Cristina Fernández de Kirchner (whose inauguration was seen as a continuation of Nestor Kirchner’s administration).

24. The  $R^2$  for the approval model using only the exogenous variables in Model III is .55, while the addition of the excluded instruments increases the  $R^2$  to .69. We have offered substantive reasons to argue that the excluded instruments are exogenous. Moreover, in a hazard model akin to equation III but including the four instruments, these variables showed insignificant effects.