The Logic of Aggregation: Party Change and Legislative Coalitions in Argentina (1983-2008)

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Over the last decade, Presidents in Argentina have formed large (oversized) legislative coalitions. From 1984 to 1995 legislative coalitions were made up an average of 105 deputies, yet from 1996 to 2007 this number had climbed to over 135 national deputies. What accounts for this variation? This paper argues that the denationalization of the political system complicates the coalition building process in the national legislature. To overcome the problems of exchange within and among parties that this process causes, the federal government has responded by building larger coalitions. This study presents a statistical model which estimates how the denationalization of the main political parties affects the size of the legislative coalitions.

Introduction

After 11 hours of abrasive debate, the Chamber of Deputies passed the 2006 Financial Administration Reform Act on November 4, 2006. Promoted by President Nestor Kirchner (PJ), the act permanently eliminated Congress’s exclusive jurisdiction over budget amendments. By removing article 37 from the original law, the reform conferred upon the Executive the authority to increase current budget expenditures and change the functional allocation of expenses without congressional authorization. The night of the session, deputies who opposed bestowing the Chief of Cabinet with “superpowers” loitered in the dank corridors of Congress for hours. The majority leadership took over three hours to reach the necessary quorum to begin the session.

The following day, analysts were surprised by two events: first, many of the government’s “usual” allies, mostly from minor provincial parties, had not shown up for session or left the floor early:

“Of the six Radicals (the main opposing party) which respond to governors in good standing with the Pink House, only one voted in favor… Two Radicals with close ties to the government were present but left before voting, while the other three deputies did not even show up. Three “guaranteed” votes from former PRO deputies (a provincial opposition party from Buenos Aires City) were missed: one of them left the session early, while the other two voted no. Another ally, Morandini (from a provincial party), rebelled and voted nay, and Rafael Bielsa (Kirchner’s former Minister of Foreign Affairs) opposed article 1. Two deputies from Peronismo Federal (a dissident faction of PJ), Graciela Camaño and her brother Dante, were among the most notable absentees” (La Nación, 04/08/2006).

Second, even when the government failed to command its typical associates on the floor, the act passed by 135 positive votes (approximately 53% of the chamber) with the support of deputies from nine different legislative parties.

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1 (CONICET/UBA/UTDT) The author is grateful to Alejandro Bonvecchi for his detailed reading and critique of previous versions of the paper. Carlos Gervasoni also offered helpful comments. The usual caveats apply.
The events of that evening illustrate an important ongoing phenomenon in Argentina: in the last decade, Presidents have chosen to form large (oversized) legislative coalitions. While between 1984 and 1995 legislative coalitions were made up of an average of 105 deputies, between 1996 and 2007 this number reached 135 national deputies. What accounts for this variation? What factors drive politicians to build increasingly larger coalitions? From a transaction-cost approach, I argue that the denationalization of the political system has complicated the coalition-building process in the national legislature. In order to overcome problems of exchange within and among parties caused by the transformation of the party system, the federal government has been forced to build larger coalitions.

Most comparative research on the size of legislative coalitions has concentrated on the effects of institutional (formal) rules and the type of issues under consideration. Less attention has been given to the parties’ size and cohesion, as well as changes in the party system structure. Conversely, in Argentina, the party system has changed radically, but most debate on the denationalization of political parties has focused on describing, interpreting and measuring the phenomenon. There has been much less discussion on its effects. Nonetheless, Argentina represents a good case study to analyze how the weakening of national parties has affected legislative behaviour, since its main parties have experienced high and low levels of nationalization since democratic transition in 1983.

Although they have highlighted the importance of subnational politics in understanding the legislative process, legislative studies in Argentina have not studied how the transformation of the party system has affected the legislative process. On the contrary, important studies have claimed that the capacity of the president’s party and the main opposition party to coordinate themselves in Congress not only has remained unchanged, but has also been consistently high throughout the 1983-2005 period (Jones et al 2002, Jones and Hwang 2005). This literature has not studied the temporal and provincial variance in how governors, legislators and the president aggregate across territories. Furthermore, it has not distinguished between the types of issues underlying different bills in their evaluation of the “federal dimension” in Congress. As we will see, studying the effects of the transformation of the political party system on the legislative process is extremely important for the empiric appropriateness of the propositions advanced by these research studies.

This article argues the following: denationalization of the main parties in Argentina has reduced both the cohesion of parties and the potential benefits that its members obtain by investing in institutions designed to internalize intra-party conflicts. This process has restricted the effectiveness of parties in reviewing and enforcing political transactions in the legislature, increasing the uncertainty over who will be a part of the majority coalition and who would choose to defect. In this environment, legislative leaders in Argentina have built larger legislative coalitions in order to secure success in passing bills.

This article is divided into several sections. The first reviews the literature on national legislators in Argentina. In the second section, I describe the transformation of the party system and explain how the denationalization of parties affects the size of legislative coalitions. Therein I present evidence of legislative coalitions in Argentina. The third section introduces the statistical model
that captures how theoretically relevant variables affect the size of legislative coalitions and present the results. In the fourth section I conclude.

1. The subnational “electoral connection”

The literature on legislative politics in Argentina stresses the importance of subnational politics in understand the operation of the National Congress (Jones et al 2002, Jones and Hwang 2005). According to these studies, the electoral system to select National Deputies and political parties’ internal rules for candidate nomination effectively gives provincial party leaders political control over legislators’ political careers (De Luca et al 2008). On one hand, electoral rules transfer re-election decisions from individual legislators to the party. On the other, rules and the organization of political parties transfer the power to design the ballot from the national parties to their provincial branches. With sufficient fiscal and political resources to reward his followers, a party leader generally controls the local party organization. Authors have established that, because the electorate votes for a ballot designed by the local party leader, legislators’ individual reputations are not essential for them to climb the ladder of their political careers; in order to advance their political ambition, what is essential is to maintain a good relationship with the local party leadership (Jones et al 2002:658).

Two main features characterize the political careers of Argentina’s National Legislators. First, they are primarily oriented to positions controlled by either the local government or the political party’s local branch. Most deputies reach the Chamber of Deputies after occupying an elective or provincial party position, or else having worked in the province’s public administration. Once completing their mandate as National Deputies, legislators do not abandon politics but rather return to their provinces to take up political office or positions as representatives. Second, for national legislators, careers in Congress are mostly short ones: on average, legislators serve one four-year term in the Chamber and their re-election index is approximately 20%. The result is a Congress populated by subnational “professional politicians” and national “amateur legislators”.

This has important consequences for the coalition-building process in the national legislature. According to the authors, once in Congress, the structure of political opportunities compels national legislators to satisfy the needs of their provincial party leaders. This implies keeping a good relationship with the National government, which has tools and resources (discretionary control over the distribution of fiscal resources) that are vital to the survival of local leaders. Even if, under special circumstances, a provincial leader can intervene in the legislative process so that his provincial legislators vote against the line of the national party, the general directive would be to vote in accordance with the national party. This is why, despite the strong influence of local leaders on national legislators, Rice Indexes and estimates of ideal points for the main political parties (Partido Justicialista and Unión Cívica Radical) exhibit high levels of unity.

In sum, from this perspective, even if subnational politics drives politicians’ motivations, legislative politics is essentially party oriented and not consensual, with a majority party controlling the legislative agenda, coordinating its provincial branches, voting cohesively and opposing other minority parties that are equally cohesive. In the next section, we examine how the electoral component of cohesion has changed in the last decade and how this should affect the size of legislative coalitions.
2. Party change and the size of legislative coalitions

Party competition in Argentina has changed radically since the mid 90s. A relatively institutionalized bipartisan system has transformed into a denationalized and fragmented party system. On the one hand, the variance in the number of effective electoral parties in the provinces has risen substantially. On the other hand, the main national parties have progressively obtained an increasingly uneven share of votes across provinces (Calvo and Escolar 2005, Leiras 2006). The Party Nationalization Score (PNS) developed by Jones and Mainwaring (2003) captures the equality in the share of the vote across electoral districts for any given party:

\[
PNS = 1 - \left( \sum_{j=1}^{J} x_j y_{j+1} \right) - \left( \sum_{j=1}^{J} x_{j+1} y_j \right)
\]

Where \(X_j\) is the percentage of votes won by Party X in the \(j^{th}\) state divided by the sum of percentages won by Party X in all states, \(Y_j\) is the percentage of votes that the \(j^{th}\) state represents of the total number of electoral sub-units. A coefficient of one indicates that a party obtains the same percentage of votes in all electoral districts; a coefficient of zero tells us that the party collected all its votes in one single district.

As shown in Figure 2.1 national parties denationalized significantly in the period from 1983 to 2007. The denationalization of the PJ began with the 1995 national elections, with a sharp rise in its denationalization levels in the 2003 national election when some provincial factions left the party. In the UCR, the denationalization of its electoral support began with the 1989 election. The party was able to reverse this process for two consecutive elections thanks to the formation of the Alianza UCR-Frepaso; however, since the 2001 election the denationalization of the party has risen dramatically. Third parties, on the other hand, had high denationalization levels throughout the period. Not shown in the figure are provincial parties such as Movimiento Popular Neuquino (MPN) and Movimiento Popular Fueguino (MPF), which were pivotal players in Congress throughout the period and typically draw their votes from a single district where they control the governorship and/or legislative seats.

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2 Other legislative studies have focused on the nationalization of electoral swings: that is, the extent to which the electoral fate of fellow deputies depends on the national party label reputation. This seems to be of great relevance in parliamentary systems, where the survival of government depends on its capacity to maintain a parliamentary majority, and where the political survival of legislators rests on the decision of the government to abstain from dissolving parliament. In presidential systems, the national reputation of a party may suffer from the lack of unity among its members in the legislature, but this lack of cohesion or discipline does not entail an immediate institutional risk on the continuity of the government or the legislature. The denationalization of the party system, on the other hand, erodes the bases for the integration of parties, because local leaders are concerned with prioritizing the interests of their local constituencies rather than those of the party’s national constituency.

3 The literature in Argentina has use this concept to name political actors that compete in just one province as a dominant party or as the main opposition party (Acción Chaqueña, Cruzada Renovadora, Fuerza Republicana, Movimiento Popular Fueguino, Movimiento Popular Neuquino, Partido Autonomista, Partido Bloquista, Partido Liberal, Partido Nuevo and Partido Renovador de Salta; see De Luca, Jones and Tula 2008).
This process—we hypothesize—aggravates typical exchange problems within and among parties in the National Congress, since denationalization is the result of the electoral devaluation of national party labels, which progressively undermines the political integration of national parties. Leiras describes this process for Argentina:

“At the beginning of the period, programmatic issues of national relevance promoted the cooperation among factions competing in different provinces and at different levels and provided a firmer foundation for leaderships of national scope. After the first few elections, programmatic concerns and national issues became less relevant in the determination of patterns of internal division. Although provincial interests had always been significant in the determination of national strategies, over the 1990s national party politics turned into a game among leaders of autonomous provincial branches” (2006: 164)

In other words, denationalization matters because it weakens the integration of parties. Filippov et al (2004: 192) explain what an integrated party means: first, the party’s organization exists at all levels of government; second, the party’s electoral success at the national level facilitates electoral success at the local level; third, the party’s national platform is accepted by local branches; fourth, every component of the party contributes to the party’s overall success. In addition, the authors claim, an integrated party needs to campaign locally to win nationally and the offices the party seeks to fill at the subnational level are meaningful. Disintegrated parties, on the other hand, lack most of these characteristics, and this makes them more prone to intra-party disruptive bargaining.

In Argentina, as Leiras argues, denationalization has prompted the local organizations of national parties to protect themselves from negative shocks at the national level, diminishing the costs of defecting from the national party ranks and increasing the political autonomy of local
organizations vis-à-vis the national party. Among other things, this had resulted in the reluctance of local actors to provide electoral support for national candidates by setting electoral calendars that do not coincide with presidential ones (Calvo and Escolar 2005) and in more powerful local leaders blocking or complicating fiscal reforms (Bonvecchi 2009, Eaton 2005). In sum, this process has significantly reduced the benefits that deputies obtain from investing in institutions designed to internalize intra-party conflicts at the national level, such as powerful legislative parties. This has had a direct effect on the size of legislative coalitions, since denationalization erodes the ex-ante certainty that parties provide in the composition of the winning coalition (Aldrich 1995, Baron 1989). Under these circumstances, in order to secure passing a bill, legislative leaders must take into consideration two scenarios. First, some members of the party may occasionally defect, especially when the bills’ underlying issues affect their province and/or the political and institutional resources of provincial actors. Second, whatever the issue under consideration, some members may have incentives to advance credible opportunistic threats against the national party leadership in order to receive larger compensations, since there would be no electoral loss in undermining the national party record. In this situation, the question we should ask is not How is large a coalition?, but rather, What constitutes a winning coalition? Wherever participation greater than a quorum is not required—as in Argentina– two questions emerge for the coalition builder:

1. How many deputies will be present at the session?
2. Which legislators will support the bill?

If the leader is unable to answer both questions, or if his or her estimates are subject to considerable error, the smallest winning coalition is 50% of the chamber + 1 member, in addition to a number of deputies equal to that of possible defections. In order to form a small winning coalition (e.g. 50% of those present and voting + 1) the leadership must have perfect information, since it is not sufficient to build a coalition around the mean rate of participation for example, because the probability of success would be \(\approx 0.5\). To estimate the strength of the opposition is also inadequate, since the opposition has a strong incentive to prevaricate. In sum, to secure success in an uncertain environment -as well as to reduce the extortionary power of coalition members- legislative leaders must build larger coalitions. The preceding discussion leads us to our main hypothesis.

H1: The denationalization of parties results in larger sized coalitions.

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4 On a more general level, Rodden (2006), for example, has argued that the disintegration of parties undermines intergovernmental cooperation on fiscal matters, and other studies have advanced the idea that denationalization promotes preferences for decentralizing policies among legislators whose political survival lie at the local level (Escobar Lemmon 2003).
5 In Argentina, the average number of deputies present for a vote was recorded as 181 deputies (over 257 members) with a standard deviation of 28.
6 See Kohler’s (1975) argument on maximum minimum winning coalitions.
7 Of course, there is a trade-off between “buying off” new members and compensating the existing ones: is “buying” more expensive than compensating?
This problem may be made worse because of decision rules. In Argentina, the National Congress is composed of two houses, the Chamber of Deputies\(^8\) and the Senate\(^9\). For a bill to pass, most votes require a majority of only a plurality of the votes in each chamber, though both chambers cannot take a vote without the presence of 50\% + 1 of the legislators. Ideally, this makes it necessary to pass a vote with at least a plurality of those present. However, open amendment rules in both chambers (as well as the divergent composition of each), and the majorities required to turn over amendments introduced by the second chamber in addition to the chance of Executive veto, all induce the formation of oversized coalitions.

Firstly, the amendment rule for bills in both houses is open. This means that any committee or chamber may amend or reject a bill on one hand and that there are no closed rules for discussing bills on the floor on the other - all legislation submitted on the floor by a committee is amendable. Secondly, if the second chamber amends a bill, then the majority required in the first chamber to overturn these amendments must match the same size as the majority employed to introduce them in the second chamber. In addition, if the Executive wholly or partially vetoes a bill\(^10\), Congress can wholly or partially insist upon it, but it requires a two-thirds majority of their total membership in each chamber. Finally, since 1994, any earmarking of tax revenues needs 50\% + 1 of the members of both houses of Congress. These rules tend to encourage the formation of oversized coalitions because, under these lawmaking procedures, there is a structural uncertainty as to who will be included in the majority coalition. Parties may reduce this uncertainty (Aldrich 1995, Baron 1989), but denationalization, as we have already noted, reduces the efficacy of national organizations to close this informational gap.

**The data**

Figure 2.2 describes the evolution of coalition sizes for two different datasets (yearly averages\(^11\)). The first contains information on final passage votes in the Chamber of Deputies for all fiscal reform bills (changes in taxation, budgetary and federal fiscal institutions) enacted by Congress between 1984 and 2008 in which a vote was recorded. This dataset contains nearly 100 initiatives, most of them sponsored by the president or his legislative party\(^12\). With 475 executive initiatives, the second dataset contains information on final passage votes in the Chamber of Deputies for all substantive private bills sponsored by the Executive whenever a vote was recorded.

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\(^8\) The Chamber of Deputies has 257 members elected from multi-member districts (23 provinces and the city of Buenos Aires) for a four-year term. Deputies are selected from closed party lists using proportional representation (d’Hondt divisor). One-half of the chamber is renewed every two years (each province renewers half of its legislators). Less populous provinces are highly overrepresented in the Chamber (all districts have a minimum of five deputies).

\(^9\) The Senate is composed of 72 members. Three senators (elected directly by a system of incomplete lists since 2001) represent each province. Prior to the 1994 constitutional reform, two senators represented each district and were selected by the local legislature.

\(^10\) The partial veto was included in the constitutional reform of 1994. However, the Supreme Court has allowed its use since the 60s (Negretto 2002: 395).

\(^11\) Yearly averages are a suitable measure, enough to indicate a central tendency on the coalitional-building strategy of the governing party. The statistical model uses disaggregated data.

\(^12\) For a detailed review of the bills included in this sample, see Bonvecchi (2009).
Variation in the two measures is far from insignificant and, overall, there is a tendency towards an increase in the size of the legislative coalitions. For the two datasets – Fiscal and Executive Bills – the correlation between the PNS of the governing party for a given year and the average size of the coalition is strong and negative (-0.73 and -0.59 respectively). As the PNS of the governing party decreased, legislative coalitions grew larger. For the years 1993, 1994, and 1995 (before the chamber renewal in December), for example, Executive legislative coalitions (second dataset) had an average size of 0.38 or 97 deputies, while for the years 2005, 2006, and 2007 (a period of highly denationalized parties), the yearly average size of Executive legislative coalitions was 0.56 or 143 legislators. This means, for example, that between 2005 and 2007 President Kirchner needed the collaboration of at least 46 deputies more than did President Menem from 1993 to 1997 in order to pass his political agenda through Congress. Figure 3.2 illustrate the relationship between the PNS of the governing party and the size of legislative coalitions.

3.2 Fiscal and Executive legislative coalitions (yearly averages) / PNS (governing party)

Figure 3.1 coalition sizes (avg.) - Chamber of Deputies

Source: author’s calculations based on information from HCD.

Significance levels at 0.01.
In sum, there is considerable evidence that suggests that the denationalization of the political system as measured by the PNS for the main parties has resulted in a significant increase in the size of legislative coalitions. The next section introduces a statistical model to test for this hypothesis.

3. The model

The statistical model uses OLS regression to estimate the effect of the independent variable—the denationalization of the governing party as measured by the PNS—on the dependent variable—the average number of deputies voting yes over the whole chamber. To control by the type of a bill’s underlying issue, I run four models. The first two include only bills promoting fiscal reforms sponsored by the president or his legislative party. The third and the fourth models include all substantive bills sponsored by the president. The logic behind this lies in the fact that not all issues may be relevant for the legislators or the provincial party leaders. To evaluate Hypothesis 1, it seems adequate to separate those projects that directly affect provinces and the political and institutional resources of provincial actors: taxes (who pays them and how they are distributed) as well as budgetary and fiscal federal institutions. These projects present more incentives for defecting or “blackmailing” the executive in search for compensation, and so they are subject to a greater degree of uncertainty over the composition of the coalition.

What other factors may explain the variation in the size of legislative coalitions? The literature has focused on the types of issues under consideration (e.g. Riker 1964, Weingast 1979) and the decision rules that organize the legislative process (e.g. Krehbiel 1998, Wawro and Schickler 2004). Since decision rules have been relatively stable, what other factors may account for the variation in coalition sizes? Below I consider how the percentage of seats controlled by the president, the president’s capacity to allocate fiscal incentives, the electoral cycle and the president’s approval rating may affect the size of a legislative coalition.

Seats

The expectation regarding the share of seats controlled by the governing party is that if parties are strong, by which we mean that they can command the votes of their backbenchers on the floor, the number of seats controlled by the majority party should affect the size of legislative coalitions. Presidents with large legislative majorities should command larger legislative coalitions than presidents who control fewer legislative seats.\(^{14}\)

H2: Large majority parties result in larger sized coalitions.

The number of seats that the president controls in the second chamber, on the other hand, may also affect the size of his or her coalition in the first chamber, but in the opposite direction. The logic behind this statement is that if an opposition party wields a veto in the second chamber,

\(^{14}\) Some assumptions follow. Krehbiel (1998: 78) considers two possible objections. First, a strong majority party can release unnecessary votes and permit legislators to vote with the opposition or abandon the session. In this scenario, the majority should be smaller than the size of the majority party. Second, legislators from weak minority parties may join the coalition. In this case, coalitions may be larger than the size of the majority party.
then both parties may have incentives to cooperate in either stage of the legislative process. Figure 3.1 shows the percentage of seats controlled by the president’s party; the second hypothesis suggests, for example, that Alfonsin (UCR, 1983-1989) and De la Rua (UCR, 1999-2001) should have built larger coalitions in the Chamber of Deputies to include the PJ, which held a veto in the Senate. Accordingly, Mustapic and Goretti maintain that in this period “not only were a high percentage of bills approved by unanimous vote but also by wide majorities composed, inevitably, by the UCR and the PJ” (1992: 267).

H3: Split control of the chambers results in larger coalitions.

![Figure 3.1 Seats held by the president's party](image)

**Figure 3.1 Seats held by the president’s party**

Source: author’s calculations based on information from HCD.

**Fiscal incentives**

The size of legislative coalitions is also a function of the costs connected to passing presidential initiatives. The capacity of the president to distribute fiscal incentives and other perquisites should increase his or her ability to broaden the support for particular bills (Bonvecchi 2009, Eaton 2002, Gibson and Calvo 2000). Gibson and Calvo (2000) have argued, for example, that fiscal transferences were used by Menem to buy off the legislative support of national deputies who came from overrepresented provinces. All else constant, a larger disposable income in the hands of the federal government should increase the president’s ability to reward followers and enlarge the coalition.

H4: A larger disposable income in the hands of the federal government results in larger sized coalitions.

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15 A better specification of the capacity of the president to engage in pork barrel activities should limit the analysis to the availability of fiscal transferences in which the president holds some discretionality over some of these five dimensions: amount, timing, geographical targeting, payment, and earmarking (Bonvecchi and Lodola 2008).
Finally, there is extensive literature on the president’s ability to leverage public support for his agenda in Congress. In *The Responsive Legislature*, Calvo (2007) has convincingly argued that legislative support for presidential initiatives in Argentina is also sensitive to the evolution of a president’s favorable public opinion. A similar relation may hold true for the size of his or her legislative coalitions: legislators may hesitate to join a coalition promoted by an unpopular president. Conversely, legislators may want to “catch” some of the presidents’ popularity in their district.

H5: Popular presidents result in larger sized coalitions.

The electoral cycle may also have an effect on the size of legislative coalitions. After their election, presidents may face a favorable climate—the so-called “honeymoon” effect—which will positively affect the support they find in Congress (Aleman and Calvo 2008, Beckmann and Godfrey 2007). Furthermore, electoral years should confront presidents with more difficulties to gather support in Congress. In midterm and presidential election years, for example, national legislators and the local organizations of national parties to which these legislators belong may turn their attention homeward, “making them less likely to support the president’s more nationally oriented priorities… it is more likely that the two branches will diverge during presidential election years, as each will avoid cooperating on unpopular policies for which they will be blamed and on popular policies on which it fears the other party will get too much credit” (Lockerbie et al 1998: 166).

H6: The honeymoon period results in larger sized coalitions.

H7: Electoral years result in smaller sized coalitions.¹⁶

In sum, the statistical model estimates how the denationalization of the governing party affects the size of coalitions. In addition, the models include the log of the seats controlled by the party of the president in both chambers, the capacity of the president to deliver fiscal incentives in terms of the national government’s spending share, the positive image of the president¹⁷, a dummy variable that takes the value of one if the president belongs to the PJ, a dummy variable that takes the value of one if it is “honeymoon” year, and a dummy variable that takes the value

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¹⁶ Partisan variables—as well as the capacity of the president to allocate fiscal incentives or other resources to obtain legislative support—are straightforward interpretations regarding the size of legislative coalitions. The electoral cycle, on the other hand, poses some tough questions for analysis. First, if the majority whip knows that in the course of an electoral year his co-partisans are more likely to defect, he can counteract this tendency by building larger coalitions. The causal mechanism is the same as the one explained for Hypothesis 1. Second, in the run-up to the election, the President and the President’s party may have strong reasons to display a unified front and a strong legislative record before the electorate. However, this second objection does not tell us that legislative coalitions should be larger in electoral years, but that they are related to the size of the president’s party in Congress. In addition, the denationalization of the political system should reinforce the negative impact of elections over the size of coalitions as a sign of party label devaluation.

¹⁷ This data belongs to Mora y Araujo for the years 1983-1998, and to Nueva Mayoría for the rest of the period. Mora y Araujo data was taken from Molinelli et al (1999).
of one if there is a national legislative election that year. Chart 4.1 reports the results. To gain statistical efficiency, for the second and the fourth models the variables that did not achieve significance and that had *t* values ranging between -1 and 1 in the first and the third model were dropped.

Chart 4.1 Regression Coefficients

<table>
<thead>
<tr>
<th>Variable</th>
<th>Fiscal Reforms</th>
<th>President Sponsored Bills</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td>Model 2</td>
</tr>
<tr>
<td>PNSgov</td>
<td>-0.791**</td>
<td>-0.839***</td>
</tr>
<tr>
<td></td>
<td>(0.227)</td>
<td>(0.176)</td>
</tr>
<tr>
<td>Log of Seats held by Gov. Party - Deputies</td>
<td>-0.306*</td>
<td>-0.243***</td>
</tr>
<tr>
<td></td>
<td>(0.165)</td>
<td>(0.076)</td>
</tr>
<tr>
<td>Log of Seats held by Gov. Party - Senate</td>
<td>0.199</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>(0.360)</td>
<td>--</td>
</tr>
<tr>
<td>Electoral Year</td>
<td>-0.062**</td>
<td>-0.073***</td>
</tr>
<tr>
<td></td>
<td>(0.360)</td>
<td>(0.019)</td>
</tr>
<tr>
<td>Honeymoon</td>
<td>0.017</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>(0.034)</td>
<td>--</td>
</tr>
<tr>
<td>Share of Spending - National Government</td>
<td>-0.012</td>
<td>-0.006</td>
</tr>
<tr>
<td></td>
<td>(0.013)</td>
<td>(0.006)</td>
</tr>
<tr>
<td>Favorable Public Opinion of the President</td>
<td>0.000</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>(0.001)</td>
<td>--</td>
</tr>
<tr>
<td>PJ President</td>
<td>-0.107</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td>(0.186)</td>
<td>--</td>
</tr>
<tr>
<td>Constant</td>
<td>1.338**</td>
<td>1.106***</td>
</tr>
<tr>
<td></td>
<td>(0.411)</td>
<td>(0.131)</td>
</tr>
</tbody>
</table>

Dependent variable: Deputies voting YES / 257

*p* < 0.1; **p** < 0.05; ***p** < 0.01

Chart 4.1 shows similar results for the four models. This indicates that the estimates for the significant variables are robust for different specifications. In the four models, the main independent variable—the PNS of the governing party—is statistically significant in the predicted direction. As expected, PNSgov coefficients are stronger for the Fiscal Reform models than for the President Sponsored Bills models. Once we drop the statistically unimportant variables, we achieve *p* values of 0.01 and 0.05 for models 2 and 4, respectively. These coefficients indicate,
for example, that for fiscal reforms, the president with the highest nationalized party - Alfonsín from 1986 to 1987- had to build legislative coalitions 20% smaller than the president with the lowest nationalized governing party - Kirchner in 2004 and 2005. This resulted in approximately 50 fewer deputies for Alfonsín than for Kirchner. For presidially sponsored bills, the difference was substantially smaller, but still significant: Alfonsín needed 13 fewer deputies than did Kirchner in order to pass his agenda through Congress.

Control variables are also interesting. Hypothesis 2 claimed that large majority parties resulted in larger sized coalitions. However, the opposite seems to be true in the Chamber of Deputies. For the four models, the coefficients are negative and statistically significant at the 0.01 level (0.1 for Model 1). For the U.S. Congress, some studies have found that the majority party's seat share has a statistically insignificant impact on the size of coalitions (Wawro and Schickler 2004: 765). In Argentina, the variable is significant but in the direction opposite to that predicted. This means that larger presidential legislative parties have built smaller legislative coalitions. Hypothesis 3, on the other hand, states that split control resulted in larger sized coalitions in the first Chamber. Once again, the coefficients are significant for models 3 and 4, but they have the opposite predicted sign. Parties controlling a larger share of seats in the Senate built larger legislative coalitions in the Chamber of Deputies. The coefficients are not different from zero for models 1 and 2. These findings require further investigation.

Hypothesis 4 predicted that a large disposable income in the hands of the federal government should result in larger sized coalitions, but the statistical models presented here show that there is no such effect. As suggested by Bonvecchi and Lodola (2008), a better specification of the measure we use to evaluate the capacity of the president to use fiscal transfers in order to increase his political support in the legislature and the provinces may be in need.

Hypothesis 5, suggested by the “going public” literature, claimed that popular presidents obtain wider support from Congress than unpopular ones. The premise washes out when Presidents need to pass fiscal reforms through Congress. However, the coefficients are highly significant and in the predicted direction for models 3 and 4. All else equal, popular presidents (Kirchner, 12/2004) can get support from over 18 deputies more than highly unpopular ones (Duhalde, 07/2002). Often used as an alternative specification of a president’s popularity, the honeymoon effect, on the other hand, holds no ground for any of the models (the coefficient is not different from zero). There is some logic behind this finding: honeymoon years have been anything but stable in Argentina. In their first year, Menem experienced hyperinflation, De la Rua confronted a deep recession and a political scandal for bribing national senators, and Fernandez de Kirchner held a long and bitter conflict with the agricultural sector18. Finally, Hypothesis 7, which claimed that electoral years resulted in smaller sized coalitions because legislators turned their attention homeward and offered the presidential agenda less support, works exceptionally well. Coefficients are negative and highly significant for the four models19.

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18 The one-year presidency of Duhalde is not counted as a honeymoon. For Menem and Kirchner, the honeymoon was computed as their first year in government, from August 1989 to August 1990 and from May 2003 to May 2004, respectively.

19 In addition to the unwillingness of deputies to support the president’s agenda in the course of an electoral year, other explanations may have some grounds. Common knowledge usually holds, for example, that deputies in Argentina travel to their provinces more often during election years to campaign locally. If more deputies do not attend sessions in election years, this would have a noticeable impact on our dependent variable, since we measure
4. Conclusions

At the beginning of the period, highly nationalized parties dominated politics in Argentina. Over the course of the 1990s, however, profound changes took place in the structure of the party system. A bipartisan system relatively institutionalized transformed into a “territorialized” and fragmented party system. The devaluation of national party labels prompted the local organizations of national parties to protect themselves from negative shocks at the national level – thus diminishing the costs of defecting from the national party ranks and increasing the political autonomy of local organizations vis-à-vis the national party.

In explaining why legislative coalition sizes have grown larger in Argentina since the mid 1990s, this paper highlights the critical role that federalism plays in shaping the national legislative process. Investing in institutions designed to internalize intra-party conflicts at the national level, such as powerful legislative parties, have much smaller benefits for members of denationalized parties. In order to secure the passage of their legislative agendas, presidents must consider that some members of the legislative coalition may occasionally defect, especially when the bills’ underlying issues affect a congress member’s province, since there would be no electoral loss in undermining the national party record. Thus to secure success - as well as to reduce the extortionary power of coalition members- legislative leaders must build larger (oversized) coalitions.

The four models tested provide similar results, indicating that the estimates are robust. For the control variables, the analysis is still exploratory. Both hypotheses suggested by the partisan literature were significant but had the opposite sign than that predicted. Hypothesis 4, on the other hand, predicted that large disposable income in the hands of the federal government should result in larger sized coalitions, but the statistical models show that there is no such effect. However, a better specification of the independent variable may produce different results. We find evidence that supports hypothesis 5, which claimed that popular presidents obtain wider support in Congress than unpopular ones. Interestingly enough, this relationship washes out when we restrict the bills to fiscal reform. This suggests that legislators may be responsive to the public mood, but only when considering non-fiscal bills. Finally, the four models provided support for the idea that the electoral cycle significantly affects the capacity of the president to build support in Congress.

This paper is a first attempt to explore alternative hypotheses to understand the coalition-formation process in the Argentine Congress. The evidence presented suggests that the disintegration of national parties significantly stimulates the formation of large coalitions. In the future, it may be necessary to explore further hypotheses and to refine the measures of the ones already tested. In addition, it is necessary to control for possible problems of serial correlation on the dependent variable.

the size of the coalition as compared to the entire chamber. However, at first glance, the number of absentees seems to show no difference between election and non-election years: they both average approximately 79 absent deputies per session and present a similar standard deviation (data for the period 1993-2008).
Bibliography


