

Patterns in Contingencies. The Interlocking of Formal and Informal Political Institutions in Contemporary Argentina.

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ABSTRACT

This article explores how the interlocking of formal and informal political institutions has affected the dynamics and performance of the Argentine democracy. Key institutional features of the Argentine political system have been a competitive form of federalism, loosely structured and political parties that are not ideologically unified, neopatrimonial practices, and clientelist exchanges. These features have interacted with the pluralist political landscape resulting from the vertical and horizontal constitutional division of powers. In combination with the distribution of power resulting from electoral results at different levels of government, these features have severely constrained the possibilities for coordination in and across institutional arenas

Introduction.

When examining the recent social and political evolution of Argentina, observers will immediately recognize several features that reoccur in its history. . Perhaps the first one lies in the inability to find a stable, widelyaccepted, and sustained model for economic growth and social development. Over the last few decades, Argentina has witnessed the implementation of very different socio-economic programs, and although some of them have been temporarily successful, they have eventually collapsed under adverse economic circumstances. The economic policies conducted by the military dictatorship from 1976 to 1983 affected deep social and economic changes, but failed to build a sustainable economic model for the country. After the 1983 democratic restoration, President Alfonsín led an unorthodox program of economic reforms. After some successes, this program failed amid economic collapse and hyperinflationary episodes. Economic crisis paved Carlos Menem's way to the Presidency after an anticipated transfer of powers, one that took place after Alfonsín failed to draw Menem's support for a coordinated response to the crisis (Palermo and Novaro 1997: 113).

President Menem undertook an ambitious program of economic reforms that combined deregulation, widespread privatization, commercial opening, and foreign investment. Menem's reforms were followed by vigorous economic growth and anti-inflationary success. However, as Menem's second presidency reached its end, a number of economic and political circumstances (economic stagnation, high unemployment, high public debt and deficit, and the divisions within the Peronist party opposing Menem and the former Vice-President Eduardo Duhalde) made the Argentine prospects quite somber. In 1999, Fernando de la Rúa, the candidate of the Alliance for Jobs, Education, and Justice (henceforth, the Alliance), formed by the Civic Radical Union (UCR) and the center-left FREPASO, attained victory in the electoral contest against the Peronist candidate, Eduardo Duhalde. Nevertheless, in the years 2000 and 2001 the De la Rúa presidency had to face an endless economic and political crisis, the latter mainly derived from the strong divisions within the ruling coalition and the President's political party, the UCR.¹ At the end of year 2001, in a context of deep economic crisis, internal political conflicts, and rising social protests, the De la Rúa presidency collapsed. President De la Rúa resigned in December 2001, and, in January 2002, the Peronist Eduardo Duhalde was elected President by Congress. In the year 2003, the Peronist Néstor Kirchner was elected President, after Menem refused to participate in the run-up election against Kirchner. Under the Duhalde and Kirchner presidencies, Argentina saw the end of the fixed exchange-rate system and therefore the crumbling of one of the main pillars of the Menemist economic model. It also experienced a substantial reversal of the economic policies and strategies followed during the Menem years.

The strong swings in the character and outcomes of economic policies in Argentina have been matched by important political variations. Argentina has had to face profound political and institutional crises, which have made political prospects very uncertain. This country has also known stable periods in which Presidents have enjoyed both political power and popular support. In spite of the difficult economic and political circumstances occasionally faced by the country, no severe legitimacy crisis of the democratic system as a whole has erupted, and no significant sociopolitical actors have moved to reject and subvert democratic institutions. Fitting Linz and Stepan's description of democratic consolidation, in Argentina democracy has become "the only game in town" (Linz and Stepan 1996).

The resilience of democratic values indicates the importance of the political changes experienced by the country since the return to democracy in 1983. Perhaps the most important, and positive development is the fading of the military as an anti-democratic political actor, and its final subordination to civil government, partly as a result of the experiences of terror and economic failure that marked the 1976-1983 military dictatorship. Also important has been the gradual erosion of the acute and politically destabilizing conflicts between Peronism and anti-peronism, a change to which different political experiences greatly contributed (including the last military dictatorship and the strong political and cultural turns triggered by President Menem). Yet, in spite of these important changes, the Argentine democracy has failed to deliver a stable economic and political environment. Its performance ranges below what other indicators, such as its per capita wealth, human development indexes, or educational levels, would have made us expect.

This piece aims at identifying some of the key political-institutional factors that have conditioned the dynamics and performance of the Argentine democracy. The first part of this article examines some of the main institutions affecting the workings of the Argentine horizontal (the president vis-à-vis the legislatures) and vertical (between the national executive and provincial governments) divisions of power. This section considers not only formal and constitutional rules, but also several informal rules governing political life in governments, legislatures, and political parties. This analysis pays special attention to several properties of the Argentine institutional configuration (such as non cooperative federalism, loosely organized and decentralized parties, clientelism, and neopatrimonialism) that have characterized, in following O'Donnell's (1997) insights, the type of institutionalization experienced by the Argentine democracy. These characteristics have made coordination in and among some of the main political actors in the Argentine institutional system (the legislatures, the national and provincial governments, and political parties) costly and, under some circumstances, even impossible.

The second part of this piece analyses the performance of the Argentine democracy in several key dimensions of democratic governance. This section presents the evolution of several performance indicators, including economic growth, human development, democratic governance, and public attitudes, and tries to identify how the combination of persistent patterns and conjunctural political configurations have favored or constrained the political ability to respond to the economic and political challenges

faced by the Argentine democracy. In so doing, this contribution aims at identifying some of the key political and institutional patterns affecting the dynamics and highly variable outcomes of Argentine political life.

The interlocking of political institutions.

A first important issue for the analysis of the Argentine political-institutional framework concerns the competencies, powers, and relationships of the President and the Legislative. On first inspection, the Argentine President enjoys comparatively moderate constitutional legislative (both proactive and reactive) and partisan powers (Payne et al., 2002: 216)². If we focus on partisan powers, we observe that in the period analyzed by Payne et al., the President's governing coalition has controlled a majority of the Lower Chamber seats 33.3% of the time, and 55.6% of the time the Senate, disposing of an absolute majority in both chambers only 11.1% of the time. However, the average percentage of seats of the governing coalition in the period analyzed by Payne et al. equaled 48.5 in the Lower Chamber and 48.6 in the Upper Chamber (Payne et al. 2002: 214). This indicates that on average governing coalitions have been extremely close to achieving parliamentary majorities in each chamber.

In the Lower Chamber, this possibility has been enhanced by the significant presence of third forces. Thus, the average effective number of parties in the Lower Chamber has been 2.68 during the period analyzed by Payne et al. (2002: 145). Over all, the partisan powers of Argentine presidents have been greater than those of presidents in Uruguay, Brazil, and Chile have been. As for the constitutional legislative powers, according to Payne et al. Argentine Presidents fare very slightly below the Latin American mean (2002: 202). In Argentina, Presidents have enjoyed legislative constitutional powers lower than in Brazil and Chile, but slightly higher than in Uruguay (and much higher than in the US). Finally, as for the non-legislative constitutional powers of Argentine presidents (cabinet formation, cabinet dismissal, and censure), they are higher than the Latin American mean, but lower than those of the Chilean and Brazilian presidents. Overall, if we consider the constitutional and partisan variables addressed by Payne et al, Argentine presidents seem to be in positions similar to those of Mexico and the US, if slightly more powerful than the latter due to their superior legislative powers.

In-depth analysis of the workings of the legislative-presidential relationship provides us with more fine-grained picture of Argentine institutional life. According to Mustapic (2000), the general image is one of presidential leadership and legislative control. On the one hand, presidents have played a very active role in legislative activity, and have enjoyed high discipline levels in Congress (Mustapic 2000; Jones 1997). On the other hand, presidents have had to work hard to get legislative support, even in their own political parties. The process of coalition building led by presidents in the legislative has often been complex and costly, not the least due to the need to win the support of legislators belonging to the President's party or governing coalition (Llanos 1998; Mustapic 2000).

In order to understand why the process of coalition building can be difficult even for presidents supported by political forces who enjoy a solid position in the legislative, it is necessary to consider two other critical Argentine institutions: their political parties and party system and the workings of the federal system. Due to the characteristics of these two institutional realms, presidents have often had to negotiate with legislators and political incumbents belonging to their own political forces and governing coalitions. National party leaders, including the presidents', have not had unified, hierarchical, and centralized party machines at their disposal, but have had to face plural, decentralized, and often factional political organizations. The process for the selection of electoral candidates has strengthened this characteristic of Argentine party politics. Although the Argentine congress is elected with a proportional system and closed lists, the fact is that most of the times party candidates have not been selected by national leaders, but in primary elections held by militants and in some cases voters (Mustapic 2000). The internal pluralism of political parties has had more to do with the strength of personal and local leaderships (Mustapic 2000) than with ideological or programmatic divisions.³ This view of internal party politics is consistent with survey data on party politicians gathered at the Universidad de Salamanca under the direction of Manuel Alcántara in the 1999-2000 period. According to this survey, a clear majority of the Peronist and Radical politicians saw their respective parties as constituted by several streams under different leaderships (see Table 1). Comparisons based on this survey between the Argentine and other Latin American parties reveal that the former ranked among the group of least disciplined parties in Latin America (Alcántara 2004: 197-199). Furthermore, as shown by Table 2, in the two main traditional parties, internal debates on the selection of electoral candidates have not been likely to evolve around

programmatic issues. 81% of Peronists and 78.8% of Radicals pointed out that the selection of candidates hardly ever involves intense programmatic debates⁴.

--Tables 1 and 2 around here--

By contrast, there is strong evidence of the importance that clientelist exchanges and patronage networks play in the internal life of political parties.⁵ Thus, Levitsky's analysis of Peronism (2003) has shown the crucial importance of the provision of basic goods, like food and medicine, and jobs⁶ in the internal life of that political force. These exchanges were parallel to the lack of ideological commitment of Peronist militants to the economic course adopted by President Menem. The existence of such strong differences between the policies chosen by the Menem government and those favored by Peronist militants was made possible by the highly decentralized structure of the Peronist party.⁷

Finally, even if the success of this practice is far from uniform across territories, there is evidence that both Peronists and Radicals have made extensive use of direct material incentives (and public resources) in order to appeal to voters (Levitsky 2003; Brusco, Nazareno and Stokes 2004).⁸ In this neopatrimonial environment (in so far as it involves the presence of "patron-client linkages" and "the blurring of private and public purposes and practices within the administration") (Hartlyn 1998: 14)⁹, access to state resources at the national, provincial, and local levels has become critical. This access facilitates both the internal balance of power between different party factions and the general ability of parties to compete for support and votes.

The disposal of national executive power has certainly put strong premiums and selective incentives into the hands of either the Presidents or presidents. However, as a result of the pluralist, clientelist, and limited programmatic cohesiveness of political parties, presidents have also had to bargain skillfully in the legislatures in order to see their legislative programs advanced, even in those cases in which their parties or party coalitions have enjoyed legislative majorities. In this context, coordination within parties or political coalitions has sometimes been as difficult as interparty coordination. This was, for instance, the case in during the Presidency of De la Rúa, which was decisively marked by permanent disputes within the ruling coalition and the President's party (Novaro 2002).¹⁰

The limited role of ideological and programmatic commitments in internal party divisions, and the importance of decentralized and clientelist leaderships are factors that have also affected the contents and reach of bargaining processes. In some instances, the lack of centralized control may have even given rise to vote buying in the legislature by branches of the national executive, as in the case of the bribes to Senators in order to find support for labor reforms in the year 2000.¹¹.

In order to understand how the characteristics of parties may have affected national legislation and politics, it is necessary to consider how they have interacted with the institutions of Argentine federalism. Argentina's federal framework assigns provincial governments very important roles in the realms of social and economic policy. In addition to this, because of the highly pluralistic character of parties and the importance of provincial governments, provincial party leaders play very important roles in national politics when they are in charge of their respective provincial administrations.

The importance of political decentralization becomes clear when we consider both the competencies and resources enjoyed by subnational actors. Provinces are the main providers of primary and secondary education, as well as of different types of social services, such as health programs and funds to fight poverty. They also play significant roles in the provision of infrastructures and employ substantial numbers of public service workers. In the late 1990's, subnational administrations accounted for nearly 50% of the consolidated public expenditures and two thirds of public expenditures excluding pensions (Tommasi, Saiegh, Sanguinetti 2001: 150).

A second critical feature of the Argentine federalism derives from the economic flows that link the national and provincial governments. Although public expenditure is highly decentralized, provinces are highly dependent on transferences of resources from the national government. In 1999, on average, more than one half of the provincial expenditures were financed by the national executive (Tommasi, Saiegh, Sanguinetti 2001: 150-51). In that same year, in eight provinces, the national government financed more than 80% of the provincial expenditures (Tommasi, Saiegh, Sanguinetti 2001: 151). This situation is closely connected to the fact that the extraction of fiscal resources is mainly conducted by the national government. Transferences of resources are mainly based on the *coparticipación* regime, which establishes general mechanisms for the reallocation of federal funds extracted from taxes. The 1994 constitutional reform established that *a new law should regulate coparticipación*, but as of 2004, no new law has been passed, and *coparticipación* has been regulated by the 1988 law and several

other adjustments introduced during the 1990's. In addition to this, the federal government has had at its disposal different highly discretionary mechanisms to reallocate funds to the provinces based on economic and political considerations.¹² This situation has given rise to strong provincial demands and complex multilateral and bilateral political negotiations and disputes.¹³ Economically, these characteristics have not encouraged fiscal responsibility on the part of provincial governments, but in combination with other institutional and economic features (such as the high provincial borrowing autonomy and the high dependence of certain provincial economies on public expenditure and employment), they have facilitated the development of high provincial fiscal deficits and debts (Tommasi, Saiegh, Sanguinetti 2001).¹⁴ In some cases, this escalation of provincial expenses was caused by intense intra-party competition for national leadership.¹⁵ This trend aggravated the vulnerability of the Argentine economy at the end of the 1990's.¹⁶

All these characteristics identify the Argentine federal system as one of competitive rather than cooperative federalism. However, in this case, competition among the federation units does not aim at lowering regulations and taxes in order to attract capital, but at extracting resources from the federal level, largely in order to strengthen the political positions of provincial political leaders and their parties. This kind of competitive federalism has been reinforced by the previously mentioned characteristics of party politics. The pluralistic structure of parties, the importance of provincial party leaders in national party life (especially when they hold power in provincial governments) the clientelist use of public resources, and the weak role of ideological and programmatic factors,¹⁷ have weakened nationwide intraparty coordination, encouraged competition among the regions in their relationships with the national government, and aggravated some of the vulnerabilities of the Argentine economy.

To the extent that provincial leaderships have enjoyed privileged access to the Senate, they have made use of their institutional location to exact concessions from the national government. This scenario has been enhanced by the strong demos constraining features, in Alfred Stepan's terms, of the Argentine federal system (2002: 341 and the following), which result in the high overrepresentation of weakly populated districts in the upper chamber, the symmetrical policy scope of both chambers, and the loose character (organizational as well as ideological) of political parties.¹⁸

Finally, it is worth reconsidering again the position of Argentine presidents in light of the previous considerations on political parties and Argentine federalism. As

indicated above, the Argentine formal institutional setting has neither precluded nor encouraged the development of stable presidential leaderships, but set the conditions and costs for the development of cooperation within and across institutional arenas. Alternatively, there have been periods in which presidents have managed to build sufficient support inside their respective parties and governing coalitions, in the national legislatures, and from provincial governments, and there have also been phases in which presidents have failed to find sufficient support in all these institutional arenas. These possibilities have been conditioned not only by the share of seats of the Presidents' parties in the Upper and Lower Chambers, but also by the internal politics of their political forces, as well as by the relationships between the national government and the provinces.

These general institutional patterns have had important implications for the dynamics of democratic governance in Argentina. The next section turns its attention to this issue by examining the evolution and outcomes of democratic governance in Argentina, and by exploring the links between Argentine political dynamics and the institutional framework analyzed above.

The Performance of Argentine Democracy.

Although many of the characteristics of Argentine society are individually present in other Latin American societies, they have combined and evolved in a very specific, if not unique manner, in the case of Argentina. One important characteristic of this country lies in its comparatively high level of economic and human development. From 1975 to 2001, the Index of Human development has been higher in Argentina than in any other Latin American nation. Per capita purchasing parity power has been also consistently higher in Argentina than in the rest of Latin American societies. In the year 2002, purchasing power parity equaled 10.880 US dollars in Argentina, for 9.820 in Chile, 8.840 in Costa Rica, and 7.830 in Uruguay.¹⁹ On the other hand, economic development has been highly variable and, over the long run, lower than that of Latin America and the Caribbean and of its three more most similar neighboring countries (Brazil, Chile, and Uruguay) (see Table 3). Besides, although Argentine Human Development Indexes have remained higher than those of any other Latin American country have, over the long run they have experienced comparatively modest improvements (from .78 in 1975 to .85 in 2000). Among Argentina's neighboring

countries (see Graph 1), the Human Development Index improved at a faster pace in Brazil (from .64 to .77 in the same period), and Chile (from .70 to .83) than it did in Argentina, and very similarly to Argentina in the case of Uruguay (from .76 to .83).

---Graph 1 around here---

Argentina has known episodes of both rapid growth (for instance, in 1987, from 1991 to 1995, and in 2003, with per capita GDP growing faster than 5% each year) and very severe economic downturns (as in 1986, 1990 and 2002, with per capita GDP dropping by more than 8%). From 1991 to 2002, the Argentine rate of economic growth showed the highest rate of variation in all Latin America (with a standard deviation of 6.6, slightly higher than that of the also highly unstable Uruguayan -5.6- and Venezuelan -5.5- economies, and much higher than that of Chile -3.23- and Brazil -1.98-).

--Table 3 around here--

The comparative examination of data on economic inequality in Argentina, Brazil, Chile, and Uruguay reveals more troubling changes. As shown by Table 4, whereas in other countries inequality remained nearly constant (Brazil, Chile) or even decreased (Uruguay) in the 1990-2002 period, in the Gran Buenos Aires area (the only Argentine region for which the CEPAL reports values for the Gini index) inequality consistently increased during this time frame. From 1990 to 2002, the evolution of inequality was worse than that of economic growth: whereas the Argentine economic growth outperformed that of Brazil and Uruguay, inequality increased much more in the former case than in any of these neighboring countries.

--Table 4 around here--

These economic and social changes have not been unrelated either to the characteristics or to the evolution of Argentine politics. First, and most clearly, because economic dynamics have had strong implications for political life, affecting the workings of political institutions and the public attitudes of Argentine citizens. And

second, because political and institutional variables have conditioned both the economic responses chosen by politicians and their degree of success.

Some of the links between economic changes and political life can be grasped by comparing the democratic features and performance of Argentina to that of its socio-economically closer neighboring countries, Brazil, Chile and Uruguay, a purpose for which the World Bank indicators for democratic governance can prove very useful. Graphs 2, 3, 4, and 5 show the evolution of each of these four countries in four critical dimensions of democratic governance.²⁰ Values for each indicator reflect the percentage of countries worldwide that rank below the country of reference in each of the following variables: popular participation in the selection of governments and media freedom (Voice and Accountability), the likelihood that the government will be destabilized or overthrown by violence (Political Stability), the quality of public service provision (Government Effectiveness), the extent to which citizens trust the rule of law and abide by it (Rule of Law), and the perceptions that public means are used for private goals (Control of Corruption). These indicators are based on different types of survey responses. Even though, due to their large confidence intervals, these indicators must be approached with caution,²¹ they provide us with very useful interpretive leverage to interpret the characteristics and implications of Argentine political dynamics.

---Graphs 2, 3, 4, and 5 around here---

Two main conclusions can be drawn from this data. The first one is the sharp drop in the Argentine values from 2000 to 2002, when the Argentine performance was lower than that of its neighboring countries in each of these indicators, and below the 40th percentile in all variables except Voice and Accountability. The second tentative conclusion relates to the overall poor democratic performance of Argentina, even before the obvious impact of the 2000-2002 economic and political collapse. In spite of its superior levels of per capita income and human development, in 1998 Argentina already showed the lowest values among these Southern Cone countries in the Voice and Accountability and Control of Corruption indicators, and also the lowest 1996 indicator in the Control of Corruption variable. In no single instance were the indicators for Argentina better than Chile and Uruguay's were.

We can further explore the links between political-institutional conditions and democratic performance by considering how changes in the political-institutional and

economic landscapes have affected political stability and crises. As we saw above, certain political-institutional features, such as federalism and the characteristics of parties and the party system, made cooperation both necessary and costly. In addition to this, the prospects of cooperation were affected by how political and economic conditions combined at each point in time. As previously stated, whereas under certain circumstances cooperation within and among institutions was possible and gave rise to stable and predictable political outcomes, in other situations, prospects for cooperation consistently worsened, and political life was anything but predictable. We can get some sense of both the diversity and challenges of different Argentine situations by examining the position of the ruling parties or political coalitions in other key institutions (the legislatures and the provincial governments), how internally coordinated the ruling parties or coalitions were, and whether governments had to face severe economic downturns during their administration. Table 5 presents, in an extremely simplified, dichotomous way, some of the main characteristics mentioned above in each legislative period. It informs us of whether the party or political coalition of the President was the first group in the Lower and Upper Chambers,²² whether a majority of provincial governments belonged to the President's party or ruling coalition, and whether internal coordination in the ruling party or coalition was high.²³ This table also indicates whether the country faced a severe economic downturn (at least a 1% drop in the GDP) during at least one year of the respective legislative period,²⁴ and whether the country experienced a severe political-institutional crisis, one in which constitutional provisions regarding the occupation and transfer of national executive power were ignored or suspended. These were the cases of the anticipated transfer of presidential powers from Alfonsín to Menem in the face of the hyperinflationary crisis, and, even more clearly, of the resignation of President De la Rúa.²⁵

--Table 5 around here--

It is clear from this table that there is a strong contrast between the favorable political conditions over which Menem presided from 1989 to 1997 and the much less manageable political landscape faced by Presidents Alfonsín, at the end of his term, and De la Rúa, particularly after the Alliance reached a dramatic crisis in the year 2000. Even if it is true that some of these (un)favourable political circumstances were conditioned by the skills and successes of these presidents, the fact remains that the

specific characteristics of political scenarios at each legislative period severely constrained the effectiveness of governments. Furthermore, some of these conditioning elements were rooted in structural features of the Argentine polity, as it was the case of the Peronist preponderance in both provincial governments and the Senate. Important differences between these situations notwithstanding, it is perhaps not accidental that the most difficult combinations of political and economic crises took place in 1989 and 2001²⁶ when Presidents Alfonsín, and even more so, De la Rúa, were in very precarious political positions. In the last case, even if the severe internal difficulties experienced by both the Alliance and Radicalism were aggravated by some of President De la Rúa's choices, it remains clear that the difficulties posed to intra- and inter-institutional coordination were very strong, particularly in the economic dead-end situation faced by the country. Under economic and political circumstances as adverse as these, both the costs and the constraints of bargaining dramatically escalated,²⁷ and both centralized and decentralized external solutions to the collective actions problem faced by politicians became impossible.²⁸ External centralized solutions were not possible due to the political and institutional weakness of Presidents. And external decentralized solutions were not available due to the absence of common political values or identities, and the lack of norms of reciprocity linking the political groups prevailing at each institutional level. These circumstances certainly hampered the ability to successfully respond to the evolving economic crisis. It is also revealing that crises that erupted under scenarios favourable to the executive ability to launch coordinated responses (such as the 1995 one) had much more modest political repercussions.

Overall, political-institutional features have given rise, alternatively, to both periods of institutional cooperation and stability, and intense inter- and intra-institutional disputes and decisional deadlocks. At its best, the institutional system has favored economic development and political stability. At its worst, the difficulties in achieving political coordination have aggravated economic crises and triggered political instability. Certain features of the political institutional system, such as the horizontal and vertical division of powers, have demanded cooperation. Yet, other institutional features (like the heterogeneous and clientelist nature of parties, the strength of neopatrimonial practices, competitive federalism) and political circumstances (like splits within the governing party and/or coalition and adverse majorities in the legislatures and regional governments) have made cooperation difficult and costly.

Fortunately, the poor performance of the Argentine political institutions has not led to huge drops in the levels of public support for democracy. According to the Latinobarómetro surveys (see Table 6), from 1996 to 2004 most Argentine citizens preferred democracy to any other form of government, in spite of the profound political and economic crisis experienced by the country after the year 2000. Although support for democracy in Argentina decreased after 2001, it remained higher than in Brazil (by more than 20 percentage points), Chile, and the whole of Latin America.

As shown by Table 7 public satisfaction with the actual functioning of democracy (see Table 8) has remained at lower levels, approaching the 50% threshold only in the year 1998, and reaching its lowest value in the year 2002. The overcoming of the crisis has led to levels similar to those of 1996. Overall, the contrast of widespread support for democracy and low satisfaction with the actual functioning of institutions reveals that normative democratic views coexist with predominantly negative views on the functioning of Argentine institutions. Fortunately, the former have proved resilient even in the face of severe governance crises, as they did also in the last two years of Alfonsín's presidency (Palermo and Novaro 1996: 95).

--Tables 6 and 7 around here--

Conclusions

In combination with other structural and contingent features (ranging from the distribution of electoral preferences across the Argentine society and territories to the structural and contingent problems faced by the Argentine economy), the Argentine institutional map has given rise to highly variable political outcomes. In some periods, coordination across institutions has been facilitated by the control exercised by politicians belonging to the same party, most often the Peronist party. This type of scenario has made presidential leadership possible, and given rise to stability and predictability, although at the cost of reinforcing the institutions of clientelism and neopatrimonialism. Under other political configurations, coordinated policies have proved either difficult or impossible, and, when combined with severe economic adversities, coordination failures have led to the threat of political-institutional crises.

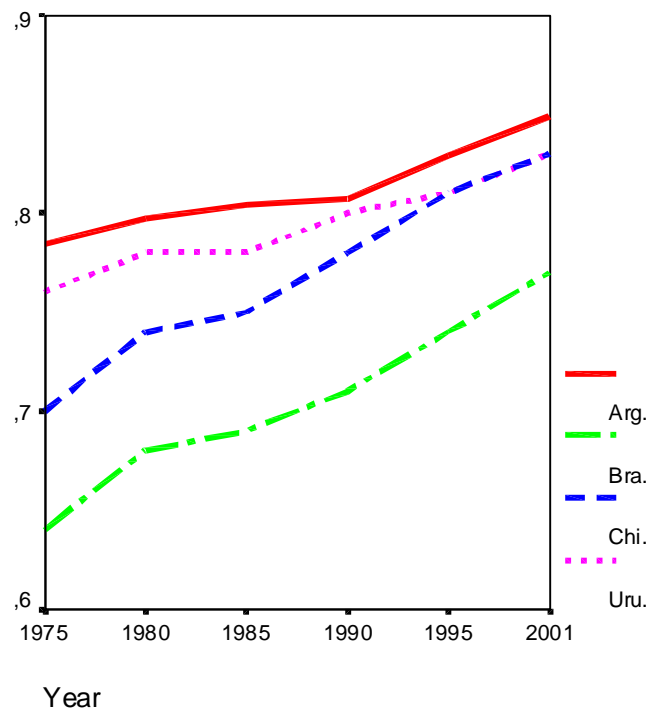
Depending on political and electoral circumstances, Argentine presidents have either enjoyed important powers and exercised a strong leadership, or faced the risk of acute powerlessness. This extreme variability of circumstances and institutional capabilities has prevented the development of stable presidential styles and patterns of relationship between the President and other key institutional actors. The prevalence of majoritarian inclinations and expectations in Argentine political culture, which is based on actual but in no way permanent, political experiences, may have also prevented (both within the national executive and among the ranks of the main opposition political forces), the development of a more consensual presidential political style.²⁹

Even more importantly, this high variability of political circumstances has hampered the stability and predictability of Argentine economic, social, and political life, facilitated the recurrent deterioration of many realms of social and political life, and then imposed very severe costs for the recreation of stable and predictable institutional frameworks in the different realms of social life. Highly unstable situations may have also increased the discount rates of future benefits by political actors and strengthened their short-term focus. This may have made it more difficult for them to achieve cooperative solutions in political crises. As shown by the democratic governance indicators, deep and encompassing crises also increased the precariousness of the rule of law, and reinvigorated the clientelist and neopatrimonial informal institutions that were already present.

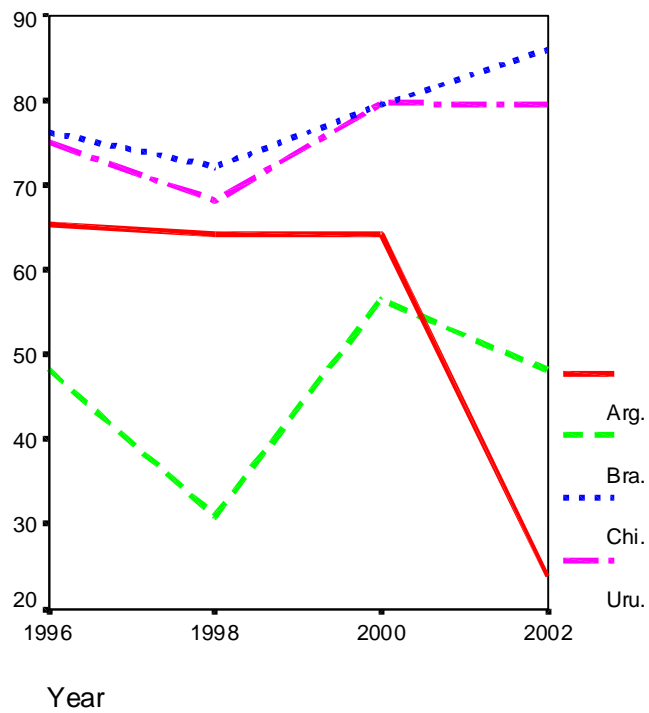
Clientelist and neopatrimonial practices may have also damaged the efficiency, efficacy, and quality of political representation. It has been pointed out that complex and pluralistic institutional settings giving rise to multiple winners will lead to policies closer to those preferred by the median voter and to higher social utility than those systems based on simple formulas and giving rise to single winners (Colomer 2001). The Argentine case does not directly contradict this expectation, but shows that informal political-institutional features must also be taken into account when ascertaining the effects of different formal institutional settings. When programmatic and ideological principles fail to facilitate intraparty coordination and link representatives to their voters, and when the provision of private and/or club goods within parties and to voters through clientelist and neopatrimonial exchanges becomes critical instead, institutional complexity and pluralism will not necessarily lead to policies close to those preferred by the median voter. Additionally, this kind of political-institutional scenario will increase the costs of coordination in and across institutional

arenas, and make it more difficult to respond effectively to deep and threatening economic and political crises.

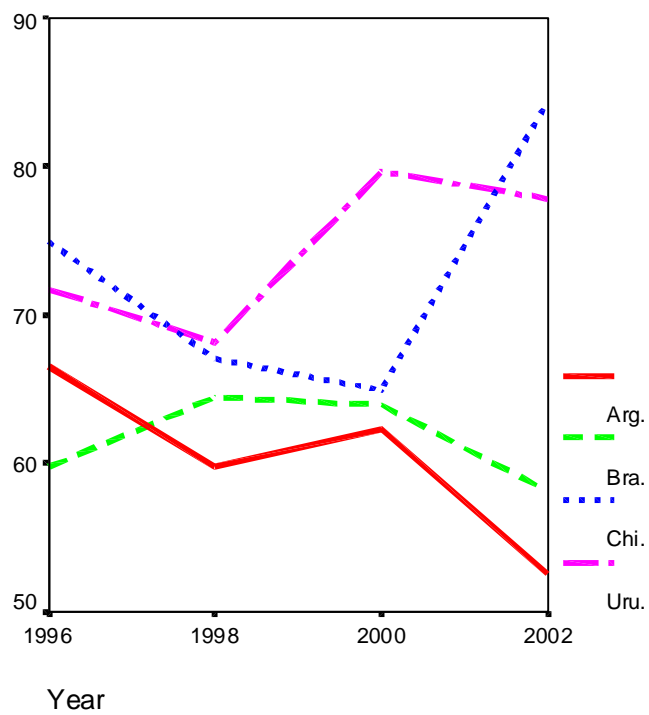
Argentine political institutions present a very mixed record. They have contributed to making democracy a consolidated and resilient political regime, but have failed to give rise to a stable political environment, and have not contributed to the improvement of Argentine social, economic, and political conditions. It is far beyond the scope and possibilities of this piece to explore the specific institutional changes that could promote a web of virtuous circles, and give rise to a more stable and better functioning democracy. Yet, more likely than not, positive institutional transformations will have to stimulate cooperation in and across institutional arenas, as well as reduce the clientelist and neopatrimonial practices that have characterized the workings of Argentine political institutions in the current democratic period.



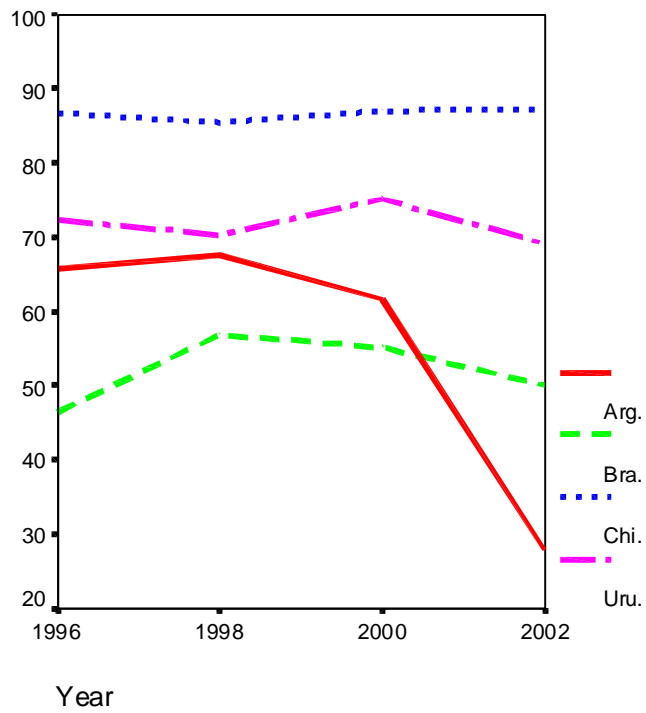
Graph 1. Evolution of the Human Development Index in Argentina, Brazil, Chile, and Uruguay. Data excerpted from PNUD: *La democracia en América Latina*, 145.



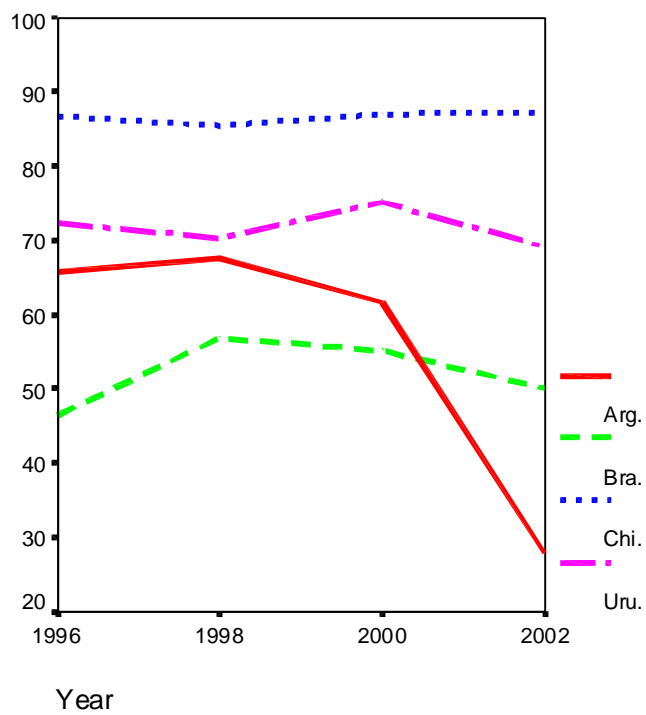
Graph 2. Evolution of the World Bank Index for Political Stability in Argentina, Brazil, Chile, and Uruguay.



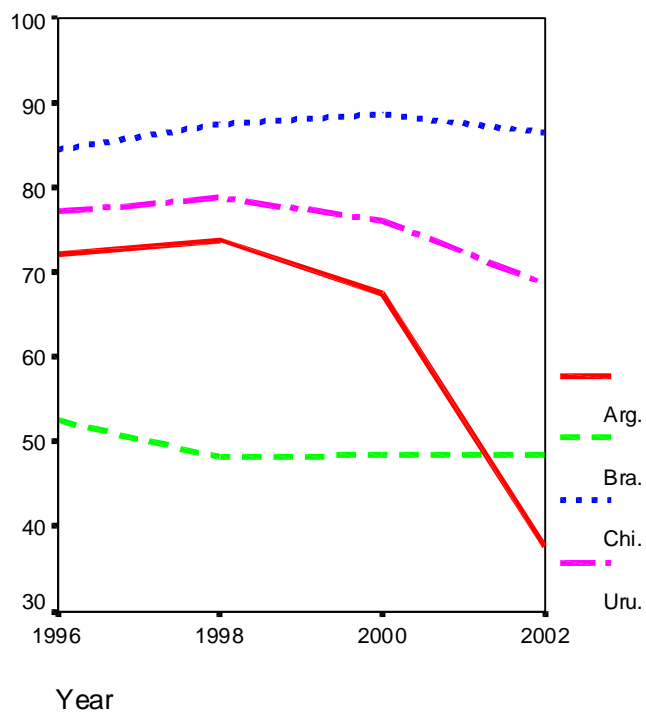
Graph 3. Evolution of the World Bank Index for Voice and Accountability in Argentina, Brazil, Chile, and Uruguay.



Graph 4. Evolution of the World Bank Index for the Rule of Law in Argentina, Brazil, Chile, and Uruguay.



Graph 5. Evolution of the World Bank Index for Control of Corruption in Argentina, Brazil, Chile, and Uruguay.



Graph 6. Evolution of the World Bank Index for Government Effectiveness in Argentina, Brazil, Chile, and Uruguay.

ENDNOTES

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- ¹ On the political and economic factors leading to the collapse of the De la Rúa government, see the volume edited by Novaro (2002).
- ² For an analysis of the weakening of the presidential powers that resulted from the 1994 constitutional reforms, see Payne (1997).
- ³ The weak role of programmatic factors in political parties may result from both long-term factors and recent experiences. For an analysis of the long term factors affecting the programmatic structuration of party systems, see Kitschelt and Zechmeister (2003). Among the short term factors helping disorganize previous programmatic links between voters and their representatives might be Menem's policy switch in 1989. On policy switches, see Stokes (2002). Institutional factors affecting the current of programmatic linkages in Argentina are addressed below in this article.
- ⁴ For a comparison with other Latin American parties, see Alcántara (2004: 195-97).
- ⁵ On the differing nature and implications of the programmatic and clientelist linkages between voters and politicians, see Kitschelt and Zechmeister (2003).
- ⁶ Consistent with this is the fact that a majority of the Argentine politicians interviewed in the previously mentioned Salamanca survey thought that in fact political connections mattered more than professional qualifications when selecting public employees (85% of the Peronists, 68.5% of the Frepaso members, and 45.5% of the Radicals).
- ⁷ A good example of the decentralized and provincial nature of the Peronist party is frequent failure of Menem's attempts to impose policies and candidates to local and provincial Peronist branches (Levitsky 2003: 177-81).
- ⁸ The decentralized and factional character of parties has been strengthened by the selection of candidates through internal elections. In turn, success in internal elections has depended on access to resources and support by militants, thus enhancing the importance of patronage networks and clientelistic exchanges (Levitsky 2003: 178).
- ⁹ The centralization of political power is the only typical characteristic of neopatrimonialism that is not present in the informal practices described above. On the features and implications of neopatrimonialism for democratic quality, see Hartlyn (1988: 15-6).
- ¹⁰ Novaro (2002: 97) indicates that conflicts within the ruling Alliance were much more acute than those between the government and the Peronist party. Domingo Cavallo, minister of Economy during final crisis of the De la Rúa presidency, argues that Radical politicians were largely responsible for the institutional collapse in December 2001. See <http://www.cavallo.com.ar/papers/golpe.html>.
- ¹¹ The alleged buying of votes (both Radical and Peronist) in the Argentine Senate in the year 2000 triggered the political crisis that led to the resignation of the Vice-President Carlos Alvarez. As a result of these accusations, several Radical senators renounced their seats. See Novaro (2002: 85 and the following).
- ¹² See for instance the use that the Menem government made of financial transfers to regions in order to facilitate the implementation of his economic reforms (Gibson and Calvo 2001).
- ¹³ See Cetrangolo (2003) and Tommasi, Saiegh and Sanguinetti (2001). See also Bonvecchi (2002: 127-28) on the negotiations between the national government and the provinces during the De la Rúa government.
- ¹⁴ Interestingly, whereas from 1991 to 2001 the percentage of Argentine workers employed by the national sector declined from 5 to 3.2%, the percentage of workers employed by the provinces rose from 8.6 to 9.3%. See Krueger (2002).
- ¹⁵ This was particularly the case of the conflict between the Governor of Buenos Aires, Eduardo Duhalde, and President Menem after 1997. Duhalde's race to block Menem's reelection and lead Peronism in the 1999 presidential contest led to very strong increases in the provincial deficit. Increases in public expenditure were connected to the need to expand support through the use of public resources for clientelistic exchanges. On these issues, see Corrales (2002).
- ¹⁶ For an analysis of how political factors aggravated and prolonged the Argentine economic crisis, see Corrales (2002).
- ¹⁷ As Riker (1964: 131-35) and Stepan (2001: 354-58) have pointed out, the characteristics of parties and party systems have clear effects on the properties and dynamics of federalism (centralizing vs. peripheralizing in Riker, and demos enabling vs. demos constraining in Stepan).
- ¹⁸ On the character and implications of the overrepresentation of certain districts in Argentine federalism, see the volume edited by Calvo and Abal Medina (2001).
- ¹⁹ Figures excerpted from the World Bank *Human Development Report*.

²⁰ This section does not consider the World Bank indicator for regulatory quality because it overly favors a specific normative and technical model for economic policies that praises market-friendly policies and rejects what it considers as excessive regulations.

²¹ See Kaufman, Kraay and Mastruzzi (2004).

²² This way to qualitatively present the distribution of seats in both chambers can be more informative than indicating whether the President's party enjoyed an absolute majority of seats. Due to the multi-party character of the Argentine party system, it is quite possible to fall below the 50% threshold and be in a very good parliamentary bargaining position vis-à-vis third political parties.

²³ This is the only variable that depends on strictly qualitative assessments. Internal coordination problems were acute and dramatic during the De la Rúa Presidency. They were also very serious at the end of Menem's second term, when the diverging strategies of Menem and Duhalde necessarily clashed.

²⁴ GDP drops in years in which elections took place have been assigned to the legislative period about to finish. For instance, the 1989 GDP drop has been assigned to the 1987-89 period and not to the 1989-91.

²⁵ The resignation of Vice-president Alvarez in 2000 certainly involved a deep political crisis, but it did not entail the transgression of key constitutional rules.

²⁶ Certainly, the Argentine economic crises responded to domestic economic vulnerabilities and international fluctuations (like the tequila crises in 1995 or the Russian and Brazilian crises in 1998 and 1999). However, the intensity, duration, and resolution of economic crises were also conditioned by political and institutional variables. Thus, the inability to politically respond to the crisis in an intertemporally consistent and institutionally coordinated manner must have also affected the intensity of the crisis and the prospects for economic recovery. Furthermore, it is also the case that the form that crises took was already the result of political circumstances and designs. This was clearly the case of the crucial convertibility system established in 1991 under the Menem Presidency. The *self-tying* character of convertibility (Palermo and Novaro 1996: 288 and the following) was also a response and a solution to political circumstances. It would in turn decisively condition the character and implications of the economic crisis under the De la Rúa presidency. For an in-depth exploration of the complex and interactive relationships between economic conditions and politics during the Alfonsín and Menem years, see Palermo and Novaro (1997).

²⁷ For an exploration of the transaction costs of Argentine political actors during the De la Rúa presidency, see Bonvecchi (2002).

²⁸ On the different types of solutions to collective action problems, see Taylor (1987: 21-24).

²⁹ On the tension between the actual Argentine political-institutional framework and the majoritarian legacies and inclinations of the Argentine political culture, see Palermo (2004).

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