

## **Systems of Government: Parliamentarism and Presidentialism**

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### **Parliamentary and Presidential Democracies: Which One is Best?**

With the exception of the United States, where a system of separation of executive and legislative powers exists, all countries that are considered to be stable democracies adopt a constitution that is, at least partially, parliamentary. A parliamentary constitution is characterized by the fusion of executive and legislative powers, achieved by the fact that the government needs the confidence of a majority in the legislative assembly in order to come to and remain in power.

Parliamentarism is popular among both academics and politicians. The main reasons for this follow from the crucial distinction between parliamentarism and presidentialism: the fact that under parliamentarism legislatures may remove the government via the approval of a vote of no-confidence. When such votes are passed, either a new government is formed or, in case this is not possible, new elections are held. Under presidentialism, in turn, the government and the legislature serve fixed and independent terms in office. T

This basic difference is thought to produce a number of consequences for the way these systems operate:

- Under presidentialism, it is thought, governments are not likely to be supported by a majority of the legislature since there is nothing in the system that guarantees that such a majority will exist.
- Deadlocks between the government and the legislature, thus, would be common under presidentialism and would lead to conflict between the two powers.
- Coalitions in presidential regimes are thought to be rare, again due to the fact that nothing in the system would provide the incentives for individual politicians and their political parties to cooperate with one another and the government.
- Decision-making under presidentialism is normally considered to be decentralized, that is, to be such that the president simply responds to proposals originated in the legislature, which is, in turn, organized in such a way as to allow for politicians to pursue individualistic rather than partisan strategies. As a consequence, the government's ability to influence and implement policy is reduced and "crises of governability" are more likely to occur.

Together, thus, these observations may seem to make a compelling case that countries seeking to establish a lasting democratic order should adopt a parliamentary form of government. Yet, none of these arguments is sufficient to make a presidential regime an unattractive choice per se. To begin with, democracies at low levels of income per capita face high risks of collapse, regardless of their form of government. As a matter of fact, when per capita income is less than \$1,000 (in 1985 PPP USD), parliamentary democracies are more likely to die (that is, to become a dictatorship) than presidential democracies: the expected life of the former is 7 years whereas the expected life of the latter is 10 years. The difference is not very large and hence not much should be made of it. What matters is that, at low levels of income, both types of democracy face equally high risks, with the form of government making little difference for the survival prospects

of democracy. Therefore, the experience of currently stable democracies, which are also the wealthiest countries in the world, becomes less relevant and reasons that are specific to particular countries, such as historical precedent or preferences of current leaders, may matter more in choosing the form of government.

However, even if we were to take into consideration the experience of currently democratic countries, there are good reasons to believe that the reason parliamentary democracies have a better survival record than presidential democracies is not related to these systems' constitutional principles. Here is some of the evidence that is relevant to this point:

- It is not true that presidential democracies are chronically prone to deadlocks between the executive and the legislative. The best estimate is that deadlock situations, that is, situations in which the legislature approves a bill that is vetoed by the president and the legislature cannot overcome the presidential veto, *could* emerge represent no more than one-third of all cases of presidential democracies.
- It is not true that parliamentary democracies do not experience deadlock; deadlock under parliamentarism is different than deadlock under presidentialism, but it also occurs. Thus, under parliamentarism deadlock occurs when elections are held, no clear majorities emerge in the legislature, the government has weak legislative support, faces a vote of no-confidence, a new government is formed, equally weak, a new vote of no-confidence is passed in the legislature, no other combination of parties will form a government, new elections are held, and, again, no clear majority emerges. The form the deadlock takes is necessarily different, given the differences in constitutional structures; but the outcome in one is not necessarily better than in the other. In both cases there is no majority that will support government policies.
- It is not true that political actors in presidential regimes will have no incentives to form coalitions. The notion that political parties under presidentialism have an overwhelming incentive to play it alone, that they will not cooperate with each other and will not support the president, even if they are part of the government, is misguided. Recent research shows that incentives for coalition formation are more or less similar under the two regimes; that legislative paralysis may occur, but only under very specific institutional conditions and, often, only if one of the parties to the conflict prefer the status quo. The difference in coalition formation between parliamentary and presidential democracies is one of number and not of quality.
- We also know that, contrary to one strongly held belief, presidential regimes are not incompatible with multiparty systems. They actually are at higher risk of collapsing into an authoritarian regime when there is a moderate number of parties. Moreover, the propensity for coalition formation increases in both parliamentary and presidential regimes when the number of political parties increases.
- It is also known that a decentralized mode of decision-making is not inherent to presidentialism. There are ways to structure the decision-making process in presidential democracies so as to neutralize most of the centrifugal forces that may operate in these regimes.
- Finally, the reason parliamentary regimes have a better survival record than presidential regimes is most likely related to the conditions under which presidential democracies, the majority of which emerged in Latin America, were created.

Although this is an area that is still under research, there is some evidence pointing to the fact that presidentialism emerged in countries where the military already had a relatively high propensity to intervene in politics. Thus, what causes the more frequent breakdown of presidential democracies is not the fact that they are presidential, but the fact that they emerge in societies where democracy, of any type, is more likely to collapse.

What this means, thus, is that presidential regimes may work and that, if there is some independent reason for adopting one, it may be more efficient to concentrate in designing a presidential system that works, rather than spending resources in pre-empting that choice.

### **Issues Relevant For a Presidential Constitution**

There are some features of presidentialism that represent an advantage over parliamentarism. Two that may be of particular value in a situation of relatively high political volatility are: term stability, which orders and makes the political calendar predictable, and the existence of an office that has a national constituency. These features do not constitute sufficient ground for adopting presidentialism over parliamentarism; but they should be taken into account in making the decision.

In order for it to work, however, a presidential constitution needs to pay attention to three very important areas:

- Legislative and agenda powers of the presidency.
- Rules for legislative and presidential elections.
- Constitutional term limits on presidential reelection.

**Legislative and Agenda Powers of the Presidency:** Any presidential constitution gives some legislative powers to the presidency. The most important powers include:

- Veto power: This power stems from the provision that, in order for it to become law, any legislative bill has to be signed by the president. The president, in turn, may object to the bill and hence refuse to sign it. When the president can only refuse the bill in its entirety, the president has only *complete* or *total veto power*. When the president may object to portions of the bill, the president has *partial veto power*. The language here may be misleading. Because presidents with partial veto power are not presented with an all-or-nothing choice, they have more ways to influence legislation and hence are more powerful. When the president vetoes a bill (either partially or completely), the bill is often sent back to the legislature, which is then given the opportunity to reaffirm its will and override the presidential veto. The legislative majority required for veto override is usually larger than the majority required for the approval of the bill in the first place. Most presidential constitutions (including the US constitution and the majority of the Latin American presidential constitutions) require a two-third majority of the legislature in order to override a presidential bill. If such a majority exists, then the president is required to sign the bill and it becomes law.
- Decree power: This refers to the executive's ability to issue new laws, which exists in a variety of constitutions, both presidential and parliamentary. Decree power

varies widely. First, it varies with respect to the areas where they may be issued. Some constitutions only allow for presidential “executive orders,” that is, purely administrative proclamations pertaining to the implementation of laws already approved by the legislature. Others allow for presidential decrees under some sort of special circumstances which are, nonetheless, sufficiently vague as to basically allow presidential action in any area (e.g. “relevance,” “urgency,” “economic or financial matters when so required by the national interest,” and so on).<sup>1</sup> Second, presidential decree power varies with respect to its time frame. Typically, presidential decrees enter into effect as soon as they are issued. In a few cases, some time is elapsed before they enter into effect, during which the legislature is given the opportunity to reject them. Finally, in some cases executive decrees automatically become permanent laws, whereas in other cases they expire if not approved by the legislature within some time frame.

- Exclusive power to introduce legislation: The US constitution allows for legislation to be initiated only from within the congress. In most Latin American presidential democracies, in turn, the role of the assembly in initiating legislation is limited in some areas, such as in legislation pertaining to the size of the armed forces, the creation of jobs, the structure of public administration and, most importantly, the budget. Normally, the assembly is allowed to amend these bills, even if constrained by provisions stipulating, for example, that it can only propose amendments that do not increase the deficit or the overall level of spending. But even with the power to amend, the assembly is faced with an agenda that is set by the president and not by itself. And, as we know, in a bargaining situation, the party that sets the agenda has a large advantage over the other party.
- Urgency requests: In many presidential constitutions, presidents are allowed to declare a bill “urgent.” When this is done, the assembly is required to vote on the bill in a relatively short time period (e.g., 30 or 45 days). This is another constitutional provision that grants the president the power to influence the legislative agenda.

All these features are rather consequential, and they combine into weaker or stronger presidencies. Some scholars argue that systems with strong presidents are problematic and that they eventually generate government and even regime crises. However, there is a case to be made to the effect that the strong presidency defined in the post-authoritarian constitutions of countries such as Brazil and Chile is largely responsible for the high level of success governments in these countries have experienced in approving their legislation. The case of Brazil seems to be highly relevant here given the high number of centrifugal elements built into the system: a federally structured country with economically diverse regions, political parties with weak popular penetration, an electoral system for the assembly (open-list proportional representation) with low barriers to entry and features that make state governors influential over party decisions. Given this structure expectations were almost unanimous of a low-effectiveness system, with too many parties, a fragmented congress and a president forced to rely on ad hoc and costly coalitions in order to approve legislation. Yet, contrary to these expectations, legislative

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<sup>1</sup> But decree power under “special” circumstances are not to be confused with constitutional emergency powers, which allow for the temporary suspension of some constitutional provisions in specified circumstances.

behavior in the Brazilian congress has exhibited remarkably high levels of partisanship, with presidents capable of relying on a stable coalition who supported them on most of their legislative agenda. This unexpected pattern, in turn, is a function of the president's legislative powers granted by the 1988 constitution, including the partial veto, decree power, the power to request urgency in the appreciation of specific legislation, and the power to exclusively initiate budget legislation. The legislative success of the government is also aided by the fact that congress is highly centralized in its organization, with party leaders yielding enough power to by pass, when needed, the work of permanent committees and setting the agenda for the floor. This organization, of course, is not a constitutional feature and resulted from a decision of the assembly itself. However, it is essential for allowing the president to form stable legislative coalitions with a relatively small number of political parties, despite all the forces that conspire against such stability.

**Rules for legislative and presidential elections:** Presidentialism may be affected by the way both the assembly and the President are elected.

Legislative elections: Current thinking about presidentialism is that it must avoid high levels of partisan fragmentation in the assembly. The easiest (it is believed) and simplest way of limiting the number of political parties is to design a very restrictive electoral systems, one that adopts, for instance, single-member districts (which tend to induce fewer parties than a proportional representation system), relatively high thresholds for partisan representation (e.g., by establishing that no party with, say, less than 5% of the national vote will obtain representation in the assembly), legal hurdles for the establishment of political parties, or a combination of these features. The result, it is believed, is a party-system with relatively few political parties and a more stable government (i.e., a government supported by one or a few parties and capable of approving its legislation in the assembly).

The facts that underlie this reasoning, however, are questionable. There is some research showing that presidential regimes are at the highest risk of death when the number of political parties is relatively few, say between three and five or, in other words, when pluralism is only moderate. Moreover, the implicit assumption that it is harder for presidents to form coalitions when party fragmentation is high is not supported by the best available evidence. As a matter of fact, in both presidential and parliamentary regimes, the frequency of government coalitions is higher when the largest party in the legislature holds less than 33% of the seats than when it holds between 33% and 50% of the seats. In addition, it is not true that presidential democracies face a higher risk of death when no coalition is formed. Finally, the best evidence (which, in this case, comes with important caveats) shows that single party minority presidential governments, that is, governments composed by only one party that does not control more than 50% of seats in the assembly, are not any less effective in their ability to approve legislation than minority or majority coalition governments. Thus, it seems that the price that is usually assumed countries have to pay when they adopt proportional representation and other less restrictive electoral rules in a presidential democracy is not really high.

If the price is not very high, the benefit may be high enough to make it worth adopting some form of proportional representation system. If it is true that the chances that a presidential system will work increase with a strong president and a centralized assembly, it is also true that there may be some costs in terms of representation. A strong president and a centralized assembly may help the government to govern in a context of strong centrifugal forces because they make the preferences of individual legislators essentially irrelevant. Although this is not any different from the archetypical parliamentary democracy (back-benchers in the British parliament do little other than vote for the bills their parties choose to support), it does make it harder for individual legislators to “represent” their constituencies’ interests inside the assembly. Thus, the legislative success of presidents may imply a restriction in legislators’ ability to represent their constituents. Thus, there seems to exist two alternatives for enhancing “governability” in presidential regimes:

- One that limits representation by limiting the variety of views that can enter the political process: restrictive electoral and party legislation reduces the number of parties, increases the likelihood that governments will obtain substantial legislative support, thus increasing “governability.”
- Another way adopts a more permissive electoral and partisan legislation, allows for a larger variety in the views that can enter the political process, but limits the role that individual representatives have in deliberation and decision-making.

Note that in both alternatives there is a trade-off between “governability” and “representation.” They differ in the location of the restrictions that are placed on the system’s capacity to represent the diversity of interests that exist in society. There is, I believe, no scientific ground to decide between the two. Both systems may work in the sense that the chances of survival of democracy are similar. One important difference, however, is that one alternative pre-empts even the articulation and penetration of views into the political system, whereas the other gives these views a further chance of been heard by allowing them to compete more easily in the electoral arena. If this, in itself, is seen as a benefit, then it constitutes grounds for the adoption of the second alternative over the first.

Presidential elections: There are several important aspects regarding the way presidents are elected. Here I want to emphasize only two of them. The first has to do with the rules for the election of presidents. The second one has to do with the timing of presidential elections relative to legislative elections.

- One of the advantages of presidentialism is that it provides for one office with a national constituency. This may become particularly advantageous in situations of high political volatility and heterogeneity since the presidency may operate as a force toward unity and integration. Yet, for this to occur, the rules for electing the president have to be carefully drafted so that they provide an incentive for integration rather than a reinforcement of existing political, ethnic, geographic or religious cleavages.

There is no one formula that may be generally applied in designing a presidential electoral system in a context of heterogeneity. This is so because the best system depends on the specific distribution of cleavages across the national territory. The one thing to keep in mind, however, is that the rules for presidential elections may be used

to mitigate existing cleavages. One mechanism, for instance, requires that contestants, in order to be successful, seek vote outside of their narrowly defined constituencies. This is the mechanism adopted in Nigeria, where the winner of the presidential elections had to obtain a plurality of the national vote and at least 25% of the vote in at least two-thirds of the states. Another mechanism, used in Sri Lanka's presidential elections, is the alternative vote, whereby voters are asked to order the all contestants (minus one); if no candidate wins an outright majority of the votes, all but the top two candidates are eliminated and the second, third, and so on preferences in the ballots are counted until one candidate reaches more than 50% of the vote. Thus, to the extent that no candidate can expect to obtain a majority in the initial balloting, they will have an incentive to reach beyond their own constituencies in order to be ranked relatively high on other groups' preferences. A mechanism that is functionally similar is now adopted in most Latin American countries. The difference is that voters are asked to rank only up to their second choice and the ranking occurs at different points in time: this is what effectively happens when presidential elections are organized according to the plurality-majority rule. In this case, elections are held and if no candidate obtains more than 50% of the votes, a second round of elections take place with the participation of the two candidates with the highest number of votes.

It is not the place here to discuss in detail the specific advantages and disadvantages of each of these systems. They represent a few examples of a menu of choices that may be quite large. The point to be emphasized here is that the way the president is elected may help mitigate some potentially problematic cleavages and serve as a force that generates incentives for integration.

- Presidential and legislative elections can happen always at the same time (like in Costa Rica), always at different times (like in Brazil during the 1946-64 democratic period), or they may alternate (like in the US, where, with a legislative term of two years and a presidential term of four years, elections coincide every four years) There is some evidence that when they occur together presidential elections operate to reduce the number of political parties. Presidents generate large coattail effects, thus aiding the election of legislators of their own parties. This provides a strong incentive for individual legislators to join parties with a real chance of generating a viable presidential candidate and may, ultimately, help produce presidents from parties controlling a relatively large share of seats in the legislature. Thus, if the fragmentation of the party system is a concern, the stipulation of concurrent presidential and legislative elections may help reduce the number of political parties in competition without the implementation of a restrictive electoral system for legislative elections.

**Constitutional term limits on presidential reelection:** Most presidential constitutions set a limit to the number of times that a president can be re-elected. Between 1946 and 1996, only 18% of the presidents in pure presidential regimes were in systems where no restrictions for reelection existed (these included the Philippines prior to 1971 and the Dominican Republic between the mid-1960s and early 1990s); another 18% were in systems, such as the United States, where they could be reelected once. If we exclude

from this group the presidents who were already serving their second term, and hence could not face elections anymore, we find that, during the 1946-96 period, the proportion of presidents that could be reelected was only 28.3%. Up until the early 1990s, the most common constitutional limit on presidential re-election was the “one term out” rule, according to which a president had to wait for a full term out of office before standing for election again. Since then a number of countries (most prominently Argentina and Brazil) changed their constitutions and adopted the two-terms limit that has existed in the US since the 1940s.

Presidential term limits are important because they affect the link between the president and voters. Elections are normally considered to be one of the most important instruments to induce governments to act in the interests of voters. This is how it is supposed to work: anticipating voters’ future judgment of their past performance, politicians are induced to pursue the interests of voters in order to be re-elected. Whether elections are actually sufficient to induce this kind of behavior on the part of politicians is a controversial matter. It is clear, however, that, if elections are to affect the behavior of politicians at all, voters must be able to punish incumbents who perform badly by throwing them out of office *and* they must be able to reward incumbents who perform well by giving them another term in office. Both are necessary if elections are to induce governments to act in the interest of voters. But constitutional term limits break this link by preventing voters from rewarding good incumbents.

The rationale for instituting term limits in the first place is reasonable. They are meant to prevent incumbents from taking advantage of their position in order to remain in power. Indeed, the little evidence that is available suggests that presidents do indeed have a large advantage when they are legally permitted to run for reelection. Among 22 presidents who faced reelection without impending term limits between 1950 and 1990, only six were really defeated (although eight others chose, for one reason or another, not to stand for reelection). Hence, given that incumbents won in 8 and lost in 6 elections, their odds of being reelected were 1.3 to 1. Just for reference, the odds of reelection for prime ministers during the same period was 0.66 to 1.

It appears, therefore, that presidentialism gives an excessive advantage to the incumbents when they are legally permitted to run for reelection and, in turn, to prevent the incumbents from exploiting this advantage, it obligates them to leave office whether or not voters want them to stay. Thus, although incumbent advantage is something that needs to be addressed under presidentialism, constitutional term limits may be just too blunt an instrument for addressing this issue and, consequently, may impose too high a price. There may be other instruments that accomplish similar goals of limiting presidential electoral advantage without interfering with the relationship between voters and presidents so directly. Examples include strict regulation of campaign finance and procedures, public funding of campaigns, free access to media and the strengthening of agencies that oversee campaigns. These are devices that will limit the ability of presidents to use the office for undue electoral advantage and yet will not remove their incentives to perform well with an eye to being reelected.