

To the victor belongs the spoils? Party membership and public sector employment

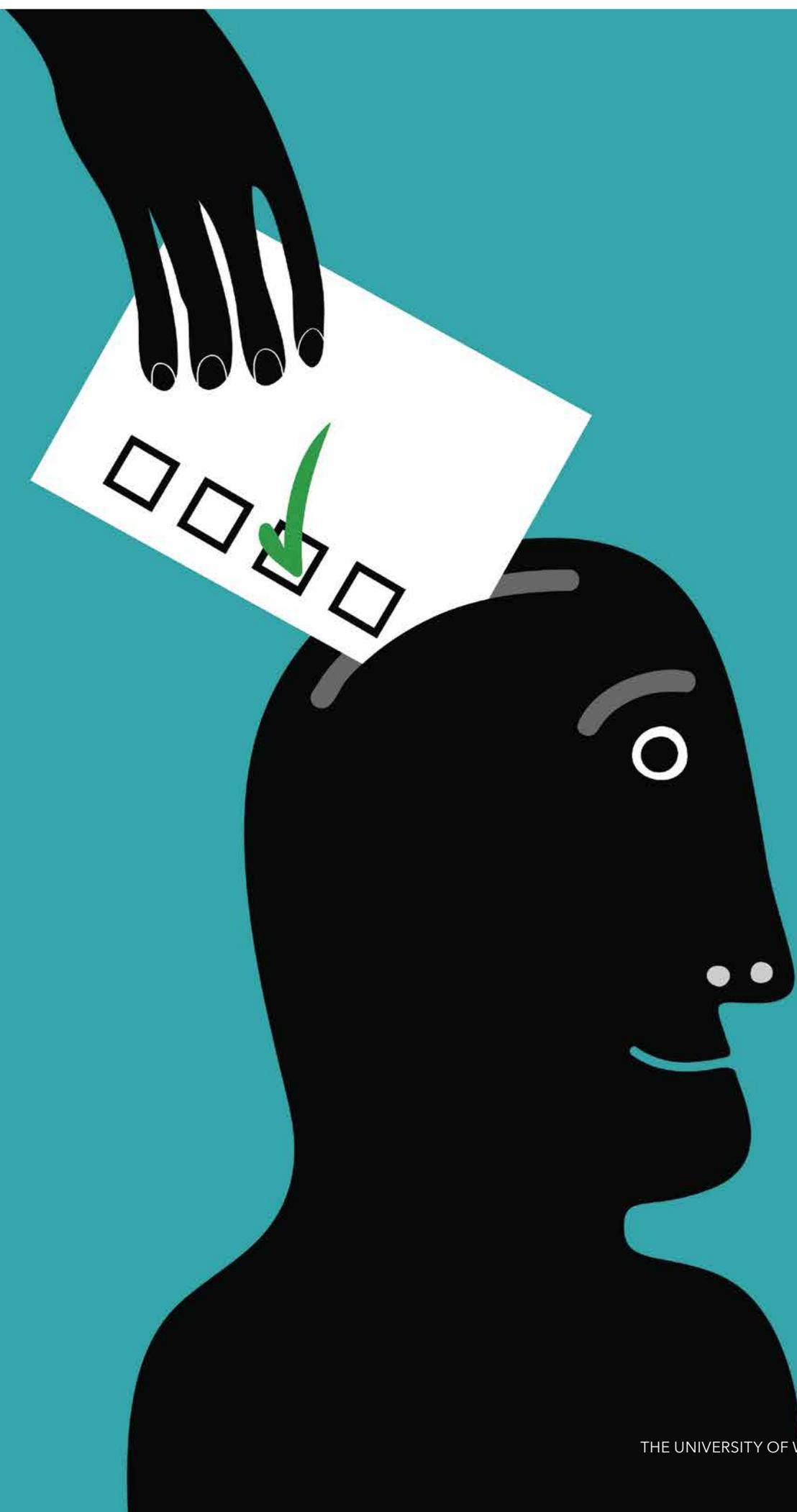
By Fernanda Brollo

Elected politicians can use government jobs to reward their supporters for their votes and/or campaign efforts. From this perspective, public sector employment can be a mechanism for establishing loyal clienteles. It constitutes one of many vote-buying strategies available to politicians.

PATRONAGE, BROADLY DEFINED as the discretionary appointment of individuals to governmental positions, is often synonymous with malfeasance and incompetence. Civic and development organisations rail against it. Numerous studies show that merit-based civil services, as opposed to discretionary ones, are associated with higher economic growth, lower corruption, and better bureaucratic performance.

However, granting public sector jobs to political supporters can also help build and maintain the infrastructure required for political parties to function.

Government jobs can be used to compensate party members for their work. Public employment can also help maintain party cohesion, by rewarding loyal party officials with jobs or titles and by distributing positions in the bureaucracy among the different factions that make up a party. Political parties might also use government jobs as source of fundraising, by requiring appointees to contribute part of their salaries to the party. Finally, parties can grant jobs in the bureaucracy to their members as a way of influencing policymaking and establishing a party presence within the state. ►



The extent to which the party in power can use public employment for its own benefit depends, crucially, on the degree to which political office holders have discretion over personnel decisions in the bureaucracy. Although most countries

have professional civil services, in practice, all bureaucracies combine civil servants and discretionary appointees. Professional civil services, with hiring and promotion based on merit, are usually considered key to insulate public sector workers

from political pressures and to ensure a competent and efficient public administration. Despite the advantages of merit-based civil services, political control over personnel decisions could have several benefits. Discretion over appointments could improve employee selection if politicians have better information on potential appointees, as would be the case, for instance, if they have previously worked with these appointees. Loyal subordinates might also be more motivated. Partisan appointments can also help elected officials control the policymaking process, making the bureaucracy more responsive to the priorities of political leadership and facilitating the implementation of policies in line with the goals of the party in power. Moreover, political discretion over hiring decisions does not necessarily have to lead to the selection of unqualified appointees, so long as politicians seek out competence and talent. After a victory at the polls, a politician has incentives to look among those she knows to find the best and the brightest people who can ensure government competence and the fulfilment of her party's desired policies.

In recent research conducted in municipalities in Brazil, Pedro Forquesato, Juan Carlos Gozzi, and I quantify the extent to which patronage takes place and analyse its impact on the selection of government workers.

Brazil has one of the most extensive and professional civil services in Latin America. More than 70 percent of its municipal public sector workers are hired through formal, competitive, open entrance examinations.

In this context, we examined hiring in all Brazilian municipalities in two mayoral terms (2005-2008 and 2009-2012) to see if hiring of members of the winning political party rose after a victory at the polls.

To analyse this issue, we focused on close elections, comparing the employment in the municipal public sector of members of the party that



Our findings contradict widely held perceptions about patronage positions being filled with unqualified workers. Members of the winning party hired after the elections are as qualified as members of the runner-up party.

barely won an election with the employment of members of the party that barely lost the same election. In close elections, the winning and losing parties were virtually identical in many respects, including the number of party members, and their education and skill levels. We could thus eliminate those factors in explaining differences in hiring among parties to determine the effect of an electoral victory.

We find that after being elected, mayors of Brazilian municipalities hire members of their own political parties, despite the existence of a quite extensive formal civil service. We also find that mayors use their discretionary powers to appoint high-quality party members to senior positions in the municipal bureaucracy.

We find that after a party gains power, the number of its members working in the municipal bureaucracy increases by about 40 percent, compared to members of the runner-up party. This represents an increase of 2.5 percentage points in the fraction of total municipal public sector employees accounted for by members of the winning party. Hiring of members of the ruling party, and not a reduction in the employment of supporters of the runner-up candidate, explains this result. Our findings indicate that mayors use their discretionary powers to grant jobs to members of their party.

Political parties hire their party members for all types of positions, both at senior and entry levels. We find larger increases in the number of members of the winning party hired as senior officials and managers, suggesting that the desire to make the bureaucracy responsive to the policy preferences of elected leaders is a major driver of discretionary hiring. However, we also find increases in non-senior positions in the bureaucracy, suggesting that patronage or other partisan reasons also play an important role. Moreover, we find that members of the winning party in senior positions tend to leave the municipal bureaucracy when their

Winning an election leads to an increase of 40% in the number of members of the winning party working in the municipal bureaucracy.

party leaves office. In contrast, for all other positions, the hiring effects are long lasting, extending beyond the end of the mayoral term. This suggests that parties can reward loyal supporters with permanent jobs.

Our results also show that, contrary to the widely held belief that discretionary appointments lead to the selection of unqualified appointees, mayors use their discretionary powers to appoint high-quality party members to senior positions. To analyse the quality of members of the winning and the runner-up parties hired by the municipal administration, we compare their education and wages in the private sector before joining the municipal bureaucracy. For most positions in the municipal bureaucracy, we find that members of the winning party hired after the election are as qualified as members of the runner-up party. The lone exceptions are senior officials and managers. For these senior positions, we find that members of the winning party tend to have higher private sector wages than members of the runner-up party hired in similar positions. This finding indicates that mayors use their discretionary powers to appoint higher-quality party members to senior positions, suggesting that politicians value both loyalty and expertise.

Overall, our findings suggest that discretionary appointments are quite common and represent a non-negligible fraction of public sector workers, despite the existence of a quite extensive formal civil service in Brazil.

Moreover, contrary to common stereotypes, our results suggest that mayors use their discretionary powers

to appoint high-quality party members to senior positions, potentially helping to sustain the party structure and maintain internal cohesion, and to influence municipal policies.

Our findings raise many questions, given the existing evidence on the negative effects of discretionary appointments in other settings. It would be helpful to understand why in some cases political discretion over personnel decisions leads to extensive patronage and the hiring of lower-quality appointees, while in other cases, elected officials seem to use this power to hire qualified workers. Which institutional, economic, or cultural factors might account for differences? Even within Brazil, are there any differences across municipalities in the way discretionary appointments are used? And, from a policy perspective, how can we ensure that office holders use any discretionary powers in a judicious manner? ◀

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