

Online Appendix:
The political dynamics of portfolio design in European democracies

Appendix A: The substantive importance of changes in portfolio design

The distribution of competencies seems to change quite frequently between departments and office holders. Yet, the frequency in itself tells little about the substantive importance of these changes. To study this aspect in greater detail, we describe three randomly selected reforms from our dataset in more detail: Germany in November 2005, Denmark in December 2001, and France in May 1974.

On 22 November 2005, Chancellor Angela Merkel (CDU) signed an organizational decree (BKOrgErl 2005¹) to reshape the design of several ministries. After the (early) elections in September that year, the CDU/CSU entered negotiations with the Social Democrats (SPD). Portfolio design was an important aspect of the coalition negotiations and the coalition agreement signed on 11 November contained a clause according to which major changes in the portfolio design during the legislative period would need the agreement of all partners.² Eleven days later, Angela Merkel was elected chancellor and, on her first day in office, signed the organizational decree to change the design of ministerial portfolios.

The decree contains various significant modifications in the design of ministerial portfolios. The most significant change was to split the former ‘super ministry’ of ‘economic affairs and labour’ into two departments. The new (or rather recreated) department for ‘labour and social affairs’ gained jurisdiction (from the former ‘super ministry’) over labour market policy, unemployment insurance, employment law, and occupational safety. It also gained jurisdiction over social insurance, the social code, and public assistance programmes from the former department of ‘health and social security’ (henceforth only ‘health’). The new (or rather recreated) department of ‘economic affairs and technology’ got the remaining jurisdictions from the old super ministry and gained additional competencies from the departments of finance and of ‘education and development’ (e.g. transport and space). Two additional ministries were renamed, and the head of the chancellor’s office became a minister without portfolio (responsible for ‘special affairs’). Importantly, responsibility for migration, asylum, and integration was moved from the department for ‘family affairs, senior citizens, women and youth’ to a newly established junior minister in the chancellor’s

¹ https://www.gesetze-im-internet.de/bkorgertl_2005/BJNR319700005.html

² <https://www.cdu.de/artikel/gemeinsam-fuer-deutschland-mit-mut-und-menschlichkeit-koalitionsvertrag-2005>

office. In sum, the changes in the organizational decree affected eight of the 16 cabinet members.

The Danish reform in December 2001 shares some similarities with the German case. The Social Democrats had been in government, but lost the general election in November 2001. Anders Fogh Rasmussen's *Venstre* became the biggest party in parliament and formed a (minority) coalition government with the Conservatives (*Det Konservative Folkeparti*). The new cabinet entered office on 27 November, and about one month later, the prime minister signed the Danish royal proclamation BEK 1107 on 20 December 2001.³ The changes affected the jurisdictions of several ministers. A minister for 'refugees, immigrants and integration' took over competencies from the ministers of the interior (e.g. residence permits), justice (e.g. citizenship), education (e.g. language teaching), finance, cities and housing, and social affairs. The department for 'IT and research' was recast into 'science, technology and development' gaining responsibilities from the department of education (esp. higher education) and business affairs. Two former independent departments (economy and business affairs) were merged and jurisdictions over interior and health were fused in a 'ministry of the interior and health'. The ministry of 'labour' changed its name to 'employment' and gained competencies from the department of social affairs (e.g. active employment policy). The former department for 'Cities and Housing' was abolished and most of its jurisdictions were moved to the department of 'economic and business affairs'. The former ministry for 'environment and energy' lost many of its key jurisdiction which were transferred to the departments of 'economy & business affairs' (esp. energy), culture (e.g. monument preservation), education (forestry colleges), and foreign affairs (e.g. development aid with relation to the environment). In sum, these changes indicate a shift in the issue agenda of the newly installed centre-right government.

The French reform in May 1974 followed the presidential election in that year that Valéry Giscard d'Estaing won in a close race against François Mitterrand. In an attempt to moderate tensions in the Gaullist camp, he nominated Jacques Chirac as prime minister on 27 May. The day after, the 'decret du 28 mai 1974 portant nomination des membres du gouvernement' was published.⁴ The reform contained in the

³ <https://www.retsinformation.dk/Forms/R0710.aspx?id=20966>

⁴

http://www.gouvernement.fr/sites/all/ve/pdf/jo_giscard_gvt_chirac_29mai74_9juin74.pdf

decree affected several ministries. The jurisdiction over ‘industry, trade, and handwork’ was split into two ministries (‘ministry of industry’ & ‘ministry of trade and handwork’). The ministries for ‘post and telecommunication’ and ‘cultural affairs and environment’ were dissolved and the jurisdictions transferred to state secretaries subordinate to ministers or the prime minister. In turn, new ministries for ‘cooperation’, ‘reforms’, and ‘external trade’ were created.

In sum, all three reforms are examples of substantively important reforms in portfolio designs: ministries were merged, split, created, or abandoned. Many jurisdictions were moved between departments, and the changes affected several departments and/or office holders. These changes are certainly more than just cosmetics – they signal the designated policy change of governments (e.g. the migration ministry in Denmark) and how policies are framed (e.g. energy as an environmental or an economic issue).

Appendix B: Results including country fixed effects

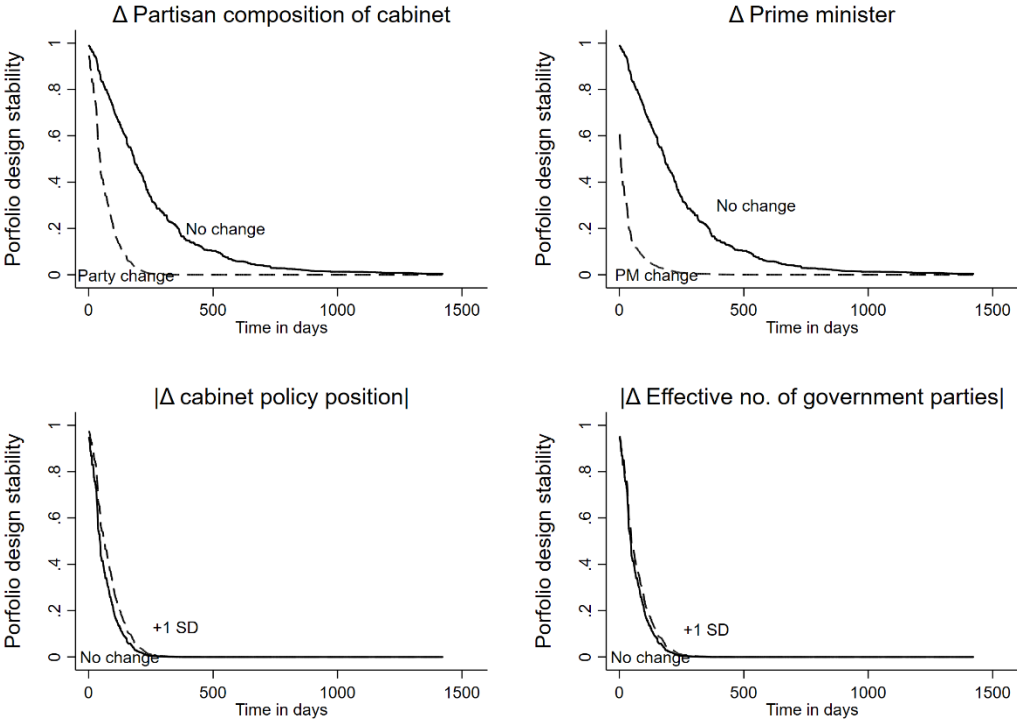
Table B.1: Analysing the timing of changes in portfolio design

	M1	M2	M3	M4	M5
Δ Partisan composition of cabinet	1.753^{***} (0.167)				1.588^{***} (0.246)
Δ Prime minister		3.821^{***} (0.872)			4.084^{***} (1.053)
Δ Prime minister X ln(time)		-0.409^{**} (0.151)			-0.591^{**} (0.180)
Δ Cabinet policy position			0.380^{***} (0.061)		-0.959[*] (0.448)
Δ Cabinet policy position X ln(time)					0.163[*] (0.076)
Δ Effective no of government parties				0.788^{***} (0.155)	-0.446[*] (0.215)
General election	3.618 ^{***} (0.886)	3.165 ^{***} (0.912)	3.459 ^{***} (0.859)	3.459 ^{***} (0.855)	3.558 ^{***} (0.952)
General election X ln(time)	-0.403 [*] (0.159)	-0.289 ⁺ (0.163)	-0.326 [*] (0.154)	-0.318 [*] (0.153)	-0.385 [*] (0.170)
Caretaker government	-0.189 (0.330)	-0.248 (0.335)	-0.384 (0.338)	-0.515 (0.332)	-0.101 (0.338)
Coalition government	-0.208 (0.169)	-0.146 (0.169)	-0.0728 (0.169)	-0.101 (0.170)	-0.206 (0.171)
Formal rules: law	-1.253 (0.946)	-1.643 (1.000)	-0.744 [*] (0.332)	-0.660 ⁺ (0.340)	-2.687 [*] (1.129)
Formal rules: law X ln(time)	0.0899 (0.145)	0.153 (0.152)			0.305 ⁺ (0.171)
Time (reference: 1970s)					
1980s	0.126 (0.203)	0.0438 (0.200)	-0.0327 (0.199)	0.0771 (0.200)	0.0902 (0.206)
1990s	0.0923 (0.200)	0.0497 (0.201)	-0.0340 (0.201)	0.0267 (0.200)	0.0712 (0.202)
2000s	0.0148 (0.192)	0.0939 (0.193)	-0.0356 (0.198)	0.163 (0.197)	-0.0282 (0.198)
Change in unemployment rate (in %)	0.202 ^{***} (0.055)	0.211 ^{***} (0.055)	0.189 ^{**} (0.058)	0.208 ^{***} (0.055)	0.220 ^{***} (0.056)
<i>Country fixed effects</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>	<i>Yes</i>
Observations (Portfolio design regime)	327	327	327	327	327
Failures (events of interest)	318	318	318	318	318
Time at risk (in days)	124,417	124,417	124,417	124,417	124,417
Log Likelihood	-1343.5	-1354.9	-1377.3	-1382.6	-1332.8

Note: Standard errors in parentheses; Country fixed effects not reported.

⁺ $p < 0.1$, ^{*} $p < 0.05$, ^{**} $p < 0.01$, ^{***} $p < 0.001$

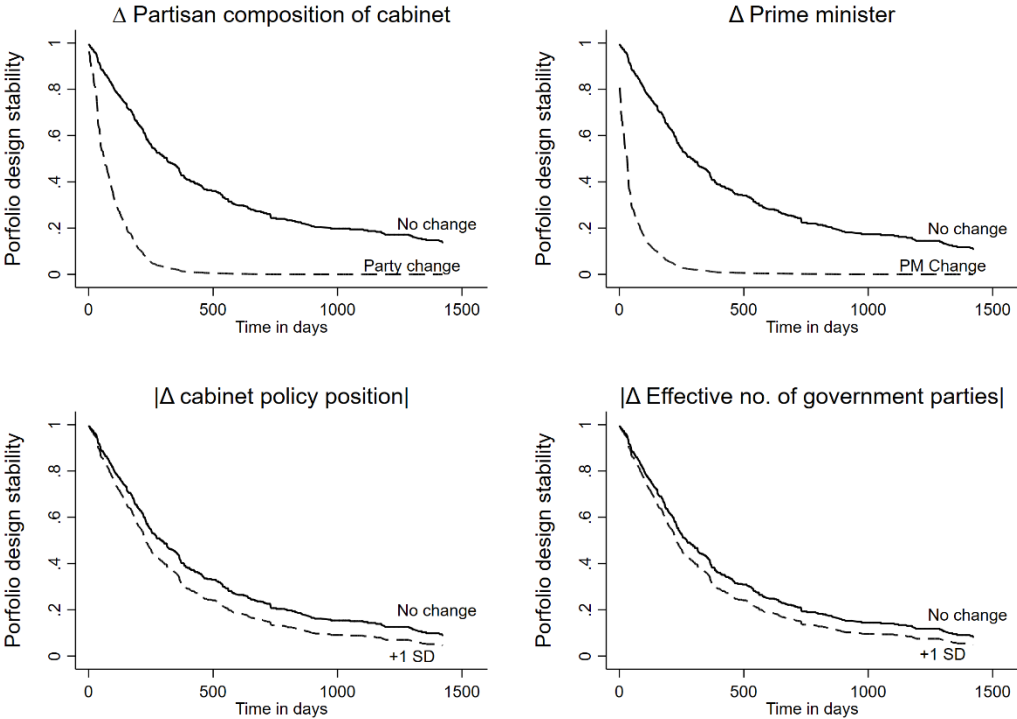
Figure B.1: Predicted stability of portfolio designs



Note: All estimates are based on Model 5 in Table B.1, while the remaining covariates are held constant at their mean or mode, respectively. For the (changes in) continuous variables, curves show the stability for “no change” (zero; roughly the mean) and an increase by one standard deviation. Plots based on the scurve_tvc command by Ruhe (2016).

Appendix C: Testing Hypotheses 1 to 4 in separate models

Figure C.1: Predicted stability of portfolio designs



Note: Estimates based on Models 1 to 4 in Table 3 in the article, respectively. The remaining covariates are held constant at their mean or mode, respectively. For the (changes in) continuous variable, curves show the stability for “no change” (zero; roughly the mean) and an increase by one standard deviation. Plots based on the `scurve_tvc` command by Ruhe (2016).