GOVERNORS TURN PRO: THE INSTITUTIONALIZATION OF THE EXECUTIVE BRANCH (corrected version)

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Abstract

Just as the presidency has become more institutionalized over time, so has the governorship. Both staff resources and expenditures of the office of the governor have increased during the past two decades. In this paper, we identify several plausible determinants of this institutionalization. We borrow from the literature on the presidency to test three theories; moreover we consider two state-level explanations. The findings show that the institutionalization of the governorship can be explained by government growth and complexity, rivalry with the legislature, and to a lesser degree, bargaining relationships with other actors. The plural executive structure plays a role as well, however regional diffusion appears to be inconsequential.

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In *Storm over the States*, a treatise that served as a clarion call for state government reform, author Terry Sanford (1967, 184) referred to governors as "the center of the state system." However, as he and other observers readily acknowledged, that center was relatively hollow. Governors had limited powers, insufficient resources, and circumscribed roles. In the ensuing 40 years, much has changed. One result is that the working environment of a state's chief executive has been enriched (Beyle 2006).

Although the consensus is that governors' offices have institutionalized substantially over that period, the explanations for this process have not been systematically explored. In this paper, we begin such an exploration by applying theories developed at the national level to explain the institutionalization of the governor's office. In addition, we offer two alternative explanations that are particularly germane to government at the state level. The paper begins with an examination of the concept of institutionalization and a consideration of its applicability to a state's chief executive.

The Concept of Institutionalization

Institutions have been studied from many disciplinary perspectives, most prominently in the fields of economics and sociology. As economist Douglass North (1990, 3) states, "institutions are the rules of the game in a society...the constraints that shape human interaction." One of the major roles played by institutions is to reduce uncertainty through the creation of stable structures. Despite their stability, institutions

change and evolve. North finds institutional change to be a complicated process, and as he notes, "institutions typically change incrementally rather than in a discontinuous fashion" (1990, 6). To North and his colleagues, organizations emerge from institutions and are distinct from them.

A related conception of institutions—one more explicitly focused on the political system—is found in the work of March and Olsen (1984; 1989). They consider institutions as rules of the game, to be sure, but they explicitly include organizational structures as key institutional features. Thus, administrative reorganization of the executive branch of government is an example of institutional reform.

The sociology literature makes less of a distinction between institutions and organizations. A social organization that is well-established and stable, one that has built relationships with other units that persist, can be an institution (Scott 1995; Zucker 1991). As indicated by Polsby (1968), institutions themselves have rules, norms, and structures such as formal administrative organizations. In their study of the presidency, Ragsdale and Theis (1997, 1282), borrowing from Huntington (1968), define institutionalization as "the process by which an organization 'acquires value and stability' as an end in itself." Organizations that become institutions have distinctive identities and behaviors, they are permanent and predictable. The process of institutionalization involves the acquisition of several characteristics, including autonomy, adaptability, complexity, and coherence (Huntington 1968). When an organization is sufficiently autonomous, adaptable, complex, and coherent, it has institutionalized. Identifying the level at which "sufficient" occurs and exactly when an organization has achieved such a level is imprecise, and in the words of Ragsdale and Theis (1997, 1284), "an approximation."

In the political realm, organizations that attain institutional status possess power and influence policy outcomes. Over time, all three branches of government have acquired the characteristics of institutions, although the pace and extent of the process have varied. The explanation for institutionalization, especially of the presidency, has been the source of some contention.

Theories of the Institutionalization of the Presidency

Several theoretical arguments have been developed and tested to explain the institutionalization of the presidency. Nearly all of these inquiries have focused upon presidential staff growth, typically in terms of the number of employees and expenditures. Their findings have been mixed, that is, they have not provided incontrovertible evidence of a single set of explanatory factors. Instead, the research has shown varying levels of support for a variety of explanations.

Ragsdale and Theis (1997) differentiate among Huntington's four indicators of institutionalization to create two subsets: external and internal dimensions. The external dimension, a measure of an organization's standing in its environment, involves autonomy and adaptability. The internal dimension reflects an organization's inner workings and includes complexity and coherence. They model the determinants of presidential institutionalization for the 1924 to 1992 time period for all four indicators. Autonomy is operationalized as organizational expenditures, while adaptability is reflected in the durability of organizational units of the presidency. To capture organizational complexity, Ragsdale and Theis use the number of staff; ¹ to represent

¹ With regard to expenditures and to staff, Ragsdale and Theis (1997) treat separately the Executive Office of the President, the Office of Management and Budget, and the White House Office.

coherence, the manageability of the workload, they use the Office of Management and Budget's (OMB) screening and clearance of legislation, executive orders, and budgets. Testing the four indicators of institutionalization separately provides an opportunity for differences in determinants to emerge. It is suggestive also of the manner in which each of the elements contributes to the development (and perhaps maintenance) of institutionalization. The analyses suggest that as the federal government expanded its scope, taking on more functions and spending more money, institutionalization of the presidency increased. However, each indicator has its own set of additional explanations. For example, the effects of government growth are greater on staff size than on presidential expenditures while congressional politics plays a more important role with regard to presidential expenditures than it does with staff size. Still, their general conclusion is that executive branch institutionalization is primarily a function of government responsibility and workload.

Another explanation for presidential branch institutionalization is rivalry with the legislative branch. In his research, Krause (2002) operationalized institutional growth as the annual constant-dollar value of the expenditures of the Executive Office of the President (EOP) and of the legislative branch. Differentiating between short-run and long-run changes, he found that current EOP expenditures were significantly influenced by past changes in congressional expenditures. His analysis called into question the argument that growth in presidential branch expenditures occurs causally prior to growth in legislative branch expenditures. Nor did he find evidence of an opportunistic president bent upon enhancing his institutional resources, independent of the legislative branch.

Instead, the president responds to short-run movements in the institutional expenditures of Congress.²

A different theoretical tack examines the role that uncertainty over bargaining with a host of external actors has played in the institutionalization of the presidency (Dickinson 2000, 2003; Dickinson and Lebo 2007). Key external actors include Congress, the public, and the media. Drawing on the seminal work of Neustadt (1960), Dickinson contends that to bargain effectively, presidents must acquire and interpret information. As the external political world has grown more complex and uncertain, acquisition and interpretation of information has become more difficult. To deal with these issues, a president seeks more staff support and the size of the White House Office (WHO) grows.

For the period 1937-1996, Dickinson (2000) creates an index of staff institutionalization composed of the increase in staff size, the degree of internal staff hierarchy, and the extent of functional specialization among the staff. He finds wide support for the bargaining uncertainty hypothesis: changes in the political environment produce statistically significant results in the expected direction. Moreover, the findings do not comport with the Ragsdale and Theis (1997) findings regarding the role of government growth as a spur to institutionalization. Subsequent pieces by Dickinson (2003) and Dickinson and Lebo (2007) refine the analysis, but the results remain fairly

² Although the president reacts to short-term changes in congressional expenditures, the reverse does not occur. Krause (2002) contends that collective action problems impede quick congressional response to changes in presidential expenditures. However, he finds evidence that congressional branch reaction eventually takes place, albeit over a longer time frame.

consistent: greater uncertainty in the political environment leads the president to seek more help in the form of staff.³

Our Approach

Each of these theories has only been tested at the U.S. national level, with an institutional focus on the presidency. This "N of one" situation is problematic. Moreover, the growth of presidential branch staff has coincided with other features of the political environment, making causality difficult to disentangle and interpret. Staff growth has coincided with increased size and complexity of government, for instance, as well as greater uncertainty and Republican control. Arguments over causality, therefore, have increasingly revolved around sophisticated application and interpretation of time series econometric techniques, such as cointegration (Krause 2002) versus fractional integration (Dickinson and Lebo 2007). Moreover conflicting theories are often not tested against one another.

The states provide a natural experiment for exploring the analytical leverage of these arguments. Governors' offices have undergone their own brand of institutionalization over the past several decades, amassing an array of enabling resources (Dilger 1995; Dilger, Krause, and Moffett 1995). Despite this trend, there remains substantial variation in levels of executive branch institutionalization across states. Do the explanations for the institutionalization of the presidency resonate with state chief executives? Our research investigates three arguments widely proffered as explanations for executive branch institutionalization at the national level.

³ Dickinson and Lebo (2007) modify their analyses in several ways, including the addition of new independent variables in the model, the use of a different dependent variable (EOP expenditures), and the use of fractional integration methods.

- Governmental size and complexity: gubernatorial institutionalization as a function of a growing, complex state government.
- Institutional rivalry: gubernatorial institutionalization a reaction to the growth of the legislative branch.
- Bargaining with other actors: gubernatorial institutionalization as an effort to reduce uncertainty in bargaining relationships with the legislature, the public, and the press.

We hypothesize that state government growth, institutional rivalry, and bargaining uncertainty will be positively associated with institutionalization of the governor's office.

Governors and State Government

State governments have undergone at least three periods of reform since the beginning of the 20th century (Bowman and Kearney 1986; Bowling 2003). Although the reforms varied in focus and depth, their intent was consistent: to provide the institutions of state government with sufficient resources to function effectively. In effect, the goal was to make them truly institutions, possessing the Huntingtonian characteristics of autonomy, adaptability, complexity, and coherence. States, once considered governmental backwaters, have modernized their constitutions and restructured the policymaking branches of government. Several seemingly sanguine outcomes have resulted, at least in part because of these changes: state revenue systems are more diversified, the scope of state operations has expanded, innovations diffuse across states

more quickly, and the level of cooperation among states has increased (Bowman and Kearney 2006).

Policymaking Institutions

Among the branches of state government, the professionalization of the legislature has received the greatest amount of research attention (c.f., Squire 1992; Mooney 1995; King 2000). The concept of professionalization is typically operationalized as increases in legislative compensation, time in session, and staff size. It is related to, but not equivalent with, institutionalization. Recently, Grossback and Peterson (2004) considered the issue of institutionalization, defining it as legislative staff size, the access of legislators to staff resources, and the organizational location of staff services. The judicial branch of state government has been reformed as well, consolidating courts and changing judicial selection processes (Lightcap 2003). Increased funding and additional administrative staff are reforms that have contributed to the growing institutionalization of state judicial systems.

As with the other branches, the office of the governor is now more institutionalized and less personalized. As Beyle wrote in 1983 (158), "...governor's offices are becoming larger, gubernatorial staffs are increasing in size and in actual and potential influence, and in some states, a more institutionalized organization is developing around the governorship itself." Studies of the governorship in the mid-1950s reported that average staff size, including both clerical and professional staff, was eleven employees, with a range between three and forty-three employees. Two decades later, average gubernatorial staff size had nearly tripled (29 employees), ranging from seven to 245 employees. By 2004, the number of staff members averaged nearly 59, with a range

of eight (Wyoming) to 310 (Florida) (Beyle 2006). As Beyle (2006) comments, an increased staff size affords the governor more flexibility and support in the various roles he or she plays. Sabato (1983, 85) refers to it as "the enrichment of the chief executive's working environment." Figure 1 shows the trends in both gubernatorial staff and expenditures from 1983 to 2004.

Figure 1 about here

A component of the institutionalization of the governor's office is related to the more general phenomenon of gubernatorial power. Historically, a position of limited duration and little authority, the governorship now occupies "the top of each state's political and government hierarchy" (Beyle 2004, 194). Reformers had long advocated strengthening the governor's office by lengthening the governor's term of office, allowing consecutive succession in office, broadening the veto power, increasing appointment and removal power, and increasing budgetary authority (Beyle 2004). For the most part, states have responded by adopting many of the reformers' propositions and by late in the 20th century, most governors enjoyed substantially enhanced formal powers. The institutionalization of the governor's office has been part of this more general empowerment.

Governors Differ from Presidents

Governors, although similar to presidents in many important ways, are different from them in two major ways. First, governors typically share responsibility for administering the executive branch of state government with as many as five to nine separately elected officials. Key statewide actors such as the attorney general, treasurer, and secretary of state are elected in at least 75% of the states, not appointed as they are at

the national level. In many states, the heads of the state's education agency, agriculture department, and insurance department are elected as well (Council of State Governments 2006). Even the lieutenant governor is elected separately from the governor in 19 states. This plural executive system is frequently criticized for diluting a governor's effectiveness and reducing accountability (Beyle 2004).

A second difference between chief executives at the national and state levels is that a governor has counterparts in 49 other states. And although each state has its own share of idiosyncratic characteristics and each governor brings his or her own set of experiences and skills to the office, other governors may serve as role models. If states are to perform their traditional role as laboratories for innovation, we would expect policymakers to scan other states for new ideas and emulate those that are considered relevant and workable. Horizontal diffusion has been found repeatedly to be a key feature of the U.S. federal system (c.f., Gray 1976; Berry and Berry 1990). With regard to institutions, Mooney's (1995) research has shown that a state's level of legislative professionalism is influenced by the overall level of legislative professionalism in its region. Consequently, a state may look to proximate states to gauge an appropriate level of institutionalization for its chief executive.

The two key differences between a president and a governor are likely to affect the institutionalization process. It may be that the explanations for gubernatorial institutionalization mirror those found at the national level, however we anticipate that the plural executive and horizontal diffusion play a role as well. Thus we add two hypotheses to those already identified: the plural executive will be positively associated with gubernatorial institutionalization; as will regional diffusion.

Data and Method

Our data set consists of annual observations for the dependent and independent variables from 1983 to 2004 for the 50 states.⁴ The bulk of the data are drawn from the *Book of the States* (various years). Other data are drawn from published sources, as indicated below.

Dependent Variables

As the forgoing discussion indicates, there are various manifestations of executive branch institutionalization. This study thus employs two separate dependent variables to assess two dimensions of institutionalization: (1) number of staff in the governor's office and (2) the real expenditures of the governor's office. Both variables are expressed as per capita figures. Data on staff size are taken from the *Book of the States*, various years, and rely upon self-reporting by governors' offices. The expenditure figures are found in various editions of the US Census Bureau's *Annual Survey of State Government Finances*. The data reflect a state's direct expenditures for current operations of the office of the chief executive. Staff and expenditures are the two most prevalent operationalizations of institutionalization.

Independent Variables

To test the Ragsdale and Theis (1997) model, two measures of government size and complexity are used. One, the size of the bureaucracy, is the number of full-time

⁴ The time period was chosen on the basis of data availability.

⁵ All dollar values are expressed in constant (2000) dollars.

⁶ The size of the governor's office staff is closely related to the size of the state, therefore expressing it in per capita terms allows for meaningful comparisons across states. Moreover, as indicated in Figure 1, both series evidence a notable upward trend over time, indicating potential nonstationarity in these series. Because some of this increase is attributable to increasing populations, expressing the variables in per capita terms alleviates this issue; a Dickey Fuller test rejects the hypothesis of a unit root.

equivalent state employees per capita, as measured by the U.S. Census. Data for the years 1983 to 1991 are taken from *Public Employment in (year)*, whereas the rest of the data are collected from the Census website, www.census.gov/govs/www/apesst.html/. The second variable reflecting government size and complexity is total state spending, per capita, in constant dollars. It is found in the Census publication, *Annual Survey of State Government Finances*, various years.

The institutional rivalry argument made by Krause (2002) is tested with two variables: a composite measure of legislative professionalism and a measure of real legislative staff expenditures per capita. Legislative professionalism is comprised of compensation (legislative salary, per diem allowances, and accommodation expenses) as well as the time in session (the actual number of days spent in session). Legislative professionalism indicators are obtained from the *Book of the States*; legislative staff expenditures are obtained from the Census publication, *Annual Survey of State Government Finances*. Because prior work has shown that executive branch institutionalization responds to changes in the legislative branch, both legislative variables are calculated as the change from one year to the next.

Measures of bargaining relationships with external actors are included in the model in an effort to test the Dickinson (2000; 2003) and Dickinson and Lebo (2007) findings. The governors' party in the legislature is the average of the percent of the governor's party in the upper and lower houses. It is obtained from an updated version of Klarner's (2003) data file (http://www.ipsr.ku.edu/SPPQ/journal_datasets/klarner.shtml). A governor's relationship with the public is expressed as the percentage of the vote obtained by the governor in the most recent election, taken from the *Book of the States*

and the *Almanac of American Politics* (various years). A state's per capita daily newspaper circulation, as reported in the *Statistical Abstract* (various years), is our measure of a governor's bargaining relationship with the media.

Two variables are included to test the state-level hypothesis about the plural executive and the constraints such a structure places on gubernatorial institutionalization. One variable is the number of separately elected statewide officials. The other reflects the number of state officials appointed unilaterally by the governor (without the consent of the legislature or a board) divided by the total number of officials. *The Book of the States* (various years) provides data for these variables. The indicator for the state-level diffusion hypothesis is calculated by averaging gubernatorial staff size and expenditures in neighboring states, lagged one year.

The model includes three control variables. A dichotomous variable is included which is coded 1 if it is the governor's first year in office. The governor's party is coded 0 if a Democrat, 1 if a Republican. Both of these variables are taken from the *Book of the States* (various years). The final control variable, fiscal health, is calculated as a state's total revenues minus total expenditures, divided by total expenditures. These data are from the *Annual Survey of State Government Finances*. Descriptive statistics for the dependent and independent variables are given in Table 1.

Table 1 about here

Estimation Procedure

An extensive pooled data set is employed to trace the effect of variation in executive branch institutionalization across states and time. A pooled design is desirable

in that it combines the inferential strengths of cross-sectional, as well as time-series designs. The regression models thus follow the following general form:

$$Y_{i,t} = \beta X_{i,t} + \varepsilon_{i,t}, i = 1, \dots 50; t = 1, \dots 21$$

where β is a vector of regression coefficients, X is a matrix of independent variables, ε is an error vector, and each is indexed by state (i) and time (t).

Care must be taken in handling potential violations of Ordinary Least Squares (OLS) assumptions, as pooled models are likely to exhibit the estimation problems characteristic of both time serial and cross-sectional design. Specifically, OLS regression is often inappropriate since three particular assumptions regarding the error term of the model—homoskedasticity, lack of autocorrelation, and cross-sectional independence (lack of spatial autocorrelation)—are likely to be violated (Baltagi 1995; Hsiao 1986). This study employs a lagged dependent variable to account for autocorrelation, which is more efficient than a GLS correction and has the advantage of specifically bringing dynamics into the model (Beck and Katz 1995, 1996). To deal with homoskedasticity and spatial autocorrelation, we use the slope coefficient estimates generated by OLS, and calculate the standard errors (Panel Corrected Standard Errors, or PCSE's) using a method which produces standard errors that are consistent in the presence of both of these problems (Beck and Katz, 1995).

Results of the Analysis

The results are presented in Table 2.⁷ Each of the models is highly significant, and explains a substantial amount of the variance. Models one and three represent

⁷ The coefficients represent the immediate effect of the independent variables (that is, those effects experienced in the first year). Due to the inclusion of the lagged dependent variable, the total effects are

baseline models of gubernatorial staff and expenditures. Our intent here is to assess the national-level hypotheses utilizing the analytical leverage provided by the fifty states. The results of the gubernatorial staff model are presented in column one, and those for the expenditures model are presented in column three.⁸

Table 2 about here

The results of these models strongly support the hypothesis that gubernatorial staff is positively related to the size and complexity of government. Both state government expenditures and the size of the state bureaucracy are significant and in the expected direction in both models. These findings support those of Ragsdale and Theis' (1997) at the national level.

The institutional rivalry hypothesis also receives some support. Although legislative professionalism (compensation and session length) does not significantly affect the size of either gubernatorial staff or expenditures, increases in the spending for legislative staff are positively related to both, suggestive of a process of interbranch institutional rivalry, such as that found between the President and Congress by Krause (2002). The evidence suggests that governors are motivated to increase executive branch institutionalization in response to increases in legislative staff expenditures.

The external bargaining hypothesis, on the other hand, received only limited support. The size of the governor's legislative coalition is significantly positively related to staff size, which is the opposite of what the theory would predict. It may be that, in the states, the inherently competitive relationship between the governor and the legislature is

also dynamically distributed across time. Discussion of the effects of the independent variables will focus on their immediate impact.

⁸ In order to aid in interpretation, the parameter estimates and standard errors for the governor's office staff models (Models 1 and 2) have been multiplied by 1000.

mitigated less by partisan affinity than occurs at the national level. Increases in gubernatorial electoral support are somewhat problematic also, showing different effects with staff (negative) and expenditures (positive). While the former finding conforms to the external bargaining thesis, the latter does not. This is surprising, and although a popular governor may have less need for staff, perhaps the cushion of public support spurs opportunistic spending. The external bargaining relationship between the governor and the media shows that higher levels of print media consumption are positively associated with institutionalization of the executive branch. Where newspaper circulation is high, gubernatorial staff and spending increase as well, presumably due to a greater need to manage the potentially powerful press.

As for the control variables, the results suggest that governors in their first year tend to significantly reduce staff size and complexity. The results of model also provide evidence that governors reduce staff expenditures in times of fiscal stress, a finding that is consistent with Ragsdale and Theis' (1997) argument that poor economic times necessitate symbolic cuts in executive offices. The results of both models provide no evidence, however, that Republican governors have larger staffs than their Democratic counterparts.

The second set of results, presented in columns two and four, introduce the state-level factors into the equation. The results provide some evidence that governors increase staff size in order to deal with coordination problems within the executive branch. Although greater numbers of separately elected officials do not significantly affect executive branch institutionalization, a higher percentage of officials directly appointed by the governor does lead to lower levels gubernatorial staff. The governor's

need to coordinate among leading state administrators is lower if he or she has extensive appointment power. The results, however, provide no support for the hypothesis that institutionalization of the executive branch is affected by a diffusion process from neighboring states. It may be that states look to peer states, rather than contiguous neighbors, in making decisions about the appropriate level of institutional support.

Conclusion

In a study conducted in the mid-1960s, Wyner (1970, 17) stated that "an essential ingredient of a successful [gubernatorial] tenure is a competent and loyal staff." In the ensuing years, the staff resources of the governor's office have increased, and related expenditures have increased even more. Our analyses indicate that this institutionalization is significantly driven by increases in the size and complexity of state government, a finding that mirrors Ragsdale and Theis' national-level results. Clearly, demands on the governor's office for policy coordination and management have multiplied in the years since early studies of the governor's staff were conducted (e.g., Wyner 1970; Williams 1980; Beyle 1983).

A degree of institutional rivalry also appears to fuel the expansion of a governor's office: our results indicate that increases in legislative staff expenditures are followed by increased governor's office staff and expenditures. Gubernatorial staff support has been shown to affect a governor's policy success in the legislature (Ferguson 2003), thus this institutional rivalry may significantly impact the balance of power between the two branches.

The bargaining exchange argument of Dickinson (2000; 2003; Dickinson and Lebo 2007) did not fare as well in our analyses. The only variable which consistently

performed as expected was that representing the governor's need to manage relations with the print media. Variables representing bargaining relations with the legislature and the public often appeared to have the opposite effect than the external bargaining theory would suggest. It is unclear whether this is reflective of fundamental differences in executive branch relations with external actors at the state and federal levels, or whether prior analyses focusing solely on the presidency have produced results which provide a misleading characterization of these relationships. Certainly one advantage of assessing this relationship at the state level is the analytical leverage provided by looking at executive branch institutions across fifty states; these results suggest the microfoundations of the external bargaining argument deserve closer empirical attention.

The structure that characterizes nearly all of the states—the plural executive—shows some promise as an explanation for the rise in staffing and spending. Our analyses suggest that increases in a governor's appointment power (indicating a less-plural executive) lead to decreases in a governor's staff. This is likely indicative of the governor's ability to set the administrative agenda through his or her appointments, thus lessening the need for central staff to coordinate and manage intra-executive branch operations. Our results provide no evidence, on the other hand, of a diffusion effect. This (non)finding is interesting because it stands in contrast to Mooney's (1995) results regarding the legislative branch. In part, similarities in gubernatorial staffing and spending may be more a reflection of institutionalization processes in peer states, rather than geographically contiguous neighbors.

The findings presented here are provocative, not definitive. Future studies may enable researchers to further differentiate the causal processes at work between and

among political institutions that affect levels of institutionalization. Our results suggest that much remains to be learned about these institutional dynamics.

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Table 1: Summary Statistics

Variable	Mean	Std. Dev.	Min.	Max.
Governor's Office Staff	.02	.02	.002	.33
Governor's Office Expenditures	5.39	5.5	.46	75.39
State Expenditures	3.02	2.25	.52	41.49
Size of State Bureaucracy	18.81	7.71	2.14	115.58
Δ Legislative Professionalism	.07	.33	-4.39	4.074
Δ Legislative Staff Expenditures	.45	2.65	-23.30	51.12
Governor's Party in Legislature	.52	.19	0	.95
Percent Vote Last Election	56.23	8.17	35.4	100
Print Media	.22	.06	.1	.461
Separately Elected Officials	5.27	2.43	0	12
Percent Officials Appointed by Governor	.13	.15	0	.66
Neighboring States (Governor's Office Staff)	.01	.004	.005	.03
Neighboring States (Governor's Office Expenditures)	4.49	2.71	.77	18.68
First Year in Office	.15	.35	0	1
Republican Governor	.49	.49	0	1
Fiscal Health	.10	.11	32	1.25

Note: Sources given in text.

Table 2: The Determinants of Executive Branch Institutionalization, 1983-2004

Independent Variable	Governor's Office Staff Model 1	Governor's Office Staff Model 2	Governor's Office Expenditures Model 3	Governor's Offic Expenditures Model 4	
State Expenditures	.75***	09	.53***	.44***	
1	(.19)	(.10)	(.09)	(.14)	
Size of State	.40***	.36***	.05*	.02	
Bureaucracy	(.06)	(.04)	(.03)	(.03)	
Δ Legislative	28	.19*	.04	001	
Professionalism	(.22)	(.14)	(.25)	(.25)	
Δ Legislative Staff	.92***	.42***	.34***	.22***	
Expenditures	(.11)	(.07)	(.05)	(.05)	
Governor's Party in	2.11***	.99**	.09	.09	
Legislature	(.63)	(.45)	(.36)	(.33)	
Percent Vote Last	02*	02**	.01*	.013*	
Election	(.01)	(.01)	(.01)	(.009)	
Print Media	29.98***	3.33	5.45**	1.72	
	(4.99)	(2.90)	(2.36)	(2.05)	
Separately Elected		.10		10	
Officials		(.10)		(.10)	
Percent Officials		-2.62***		.17	
Appointed by Governor		(.90)		(.67)	
Neighboring States		-25.57		04	
		(46.82)		(.06)	
First Year in Office	46*	31*	12	.05	
	(.33)	(.22)	(.17)	(.17)	
Republican Governor	.08	.006	13	13	
	(.21)	(.17)	(.17)	(.17)	
Fiscal Health	1.09	.58	1.76***	.99*	
	(1.81)	(.86)	(.74)	(.65)	
Lagged Dependent	847.19***	718.65***	.81***	.82***	
Variable	(46.63)	(38.52)	(.06)	(.06)	
Constant	11.55***	138	-2.45***	24	
	(1.91)	(1.4836)	(.89)	(1.15)	
Chi Square	59732.37***	91267.37***	162.80***	87.04***	
R^2	0.97	0.95	0.87	0.84	
N	1029	987	1029	987	

Notes: panel corrected standard errors in parentheses. Parameter estimates for fixed state effects omitted. *** p < .01, ** p < .05, * p < .10, one-tailed tests.

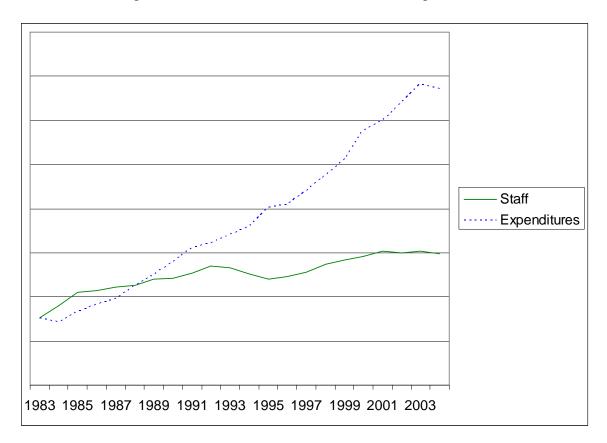


Figure 1: Trends in Gubernatorial Staff and Expenditures

Note: Because the values for staff and expenditures are substantially different in terms of scale, this graph simply demonstrates the trends, not the absolute values of the variables.