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Note: Budget Policy-making and the Appearance of Power

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The federal budget process is widely regarded as a farce. Members of Congress from both parties rail against waste, fraud, and abuse, while merrily pumping barrels of prime pork back to their own districts. The federal deficit, long out of control by the opening of the 1980s, grew at an unprecedented peacetime rate under the Reagan administration. The Gramm–Rudman–Hollings Deficit Reduction Act of 1986, instead of reining-in spending, has lead to the invention of new, ever more serpentine methods of (dis)counting the deficit. The federal budget process, it seems, has arrived upon a state of perpetual crisis.

Whole forests have been felled by analysts sawing through the causes and consequences of the budget crisis. Two explanations have received widespread currency. The first focuses on the central role of the president in budget policy. Presidents, it is argued, through their own powers of persuasion, control of budgeting information, and use of the Office of Management and Budget, manipulate legislative outcomes, controlling the direction, if not always the magnitude, of policy change. By this argument, the budget deficit has resulted from executive mismanagement.

Other analysts have argued that the deficits of the last decade are the result of a change in the way Congress sets the budget. The Congressional Budget and Impoundment Control Act of 1974 prescribed new controls on presidential impoundments and, importantly, established a new budget pro-

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cess in Congress. But the new process, instead of balancing the budget, unleashed the spending profligacies of Congress from the restraining hand of the appropriations process.

Spending decisions, these scholars said, had been disciplined by the House Appropriations Committee, whose members saw as their role guarding the Treasury from the expensive tastes of their colleagues (Fenno). The 1974 Budget Act, by reducing the role of the Appropriations Committee in determining spending, ruined the incentives for members of that committee to police the spending of their colleagues: members of the House committee, it is argued, no longer seek to cut executive spending requests, but instead seek to secure their own slice of the federal largess (Schick).

These explanations represent two fairly common perceptions of American politics. The first is premised on the widely held belief that the president, in the twentieth century, has come to dominate policy-making. The second is premised on a similar belief that congressional committees, in this century, have come to dominate policy-making. In their study of "Political Institutions and Fiscal Policy," Inman and Fitts have devised a model of appropriations decision-making that, at its core, is based on both of these premises.

The purpose of this comment is to examine these two core premises. I do so by questioning the basic tenets and inferences of each. In so doing, I also offer an alternative way to think about American politics, one that examines the relationships between the president and Congress and between Congress and its committees, within the institutional context of decision-making.

1. A QUESTION OF PRESIDENTIAL POWER

1.1. The Thesis of Presidential Ascendency

The Constitution separated the legislative from the executive departments of government and furnished each with a check on the other's ability to take action. Careful consideration was given to balancing these checks, to ensure that each department had "the necessary constitutional means and personal motives to resist encroachment of the others" (Hamilton et al.:321–2). This careful balance, however, at various times in the republic, has been seen to tilt from one branch to the other. Dominant presidents have been followed by periods of congressional ascendency. But, for much of the twentieth century, Congress has been seen to be the declining branch. The greater efficiency of the executive branch and the inability of members of Congress to overcome their diversity of interests led members of Congress to "abdicate" their responsibilities in many key policy areas (Sundquist:28, 35–6).

It has become part of the lore of American politics that the president has come to dominate national politics. Inman and Fitts, for example, found in

their index of presidential power (based on historians' rank-ordering of presidents) that very few early presidents were considered "strong" (five presidents accounting for 32 fiscal years in the first 112), whereas eight presidents this century (accounting for 57 fiscal years out of a possible 88) were "strong" presidents (Inman and Fitts:S105, note 53 and Table 3). This thesis is not without merit, as witnessed by a broad literature on the presidency (e.g., Binkley; Bryce; Burns; Laski; Milton; Neustadt, 1980; Schlesinger; Sundquist). The executive branch submits roughly 200 proposals to Congress every year. Among these proposals are budget requests, requests relating to fiscal management, and proposals to reorganize the executive branch, as well as general policy proposals. Congress frequently accepts these proposals without amendment (Peterson and Rom, Pfiffner) and, moreover, Congress almost never takes action on an issue until it has received a proposal from the president (Edwards). Presidents also nominate several thousand people for appointment to federal posts. These nominations are rarely rejected and most receive only the most perfunctory review.

So how did this alleged transformation of national politics come about? While it is true that modern presidents exercise more authority than did nineteenth-century presidents, most of this increase in authority has been the result *not* of executive encroachment, but rather of *congressional delegation* (Kiewiet and McCubbins, 1990:Chapters 9 and 11).[1] The thesis of executive domination, then, argues that in delegating, Congress actually has abdicated its authority to make decisions. The distinction here between delegation and abdication is more than just a semantic dispute.[2] In delegating, members of Congress retain their authority over policy-making, even if they do not directly make the policy decisions. If Congress as a body has abdicated its authority, then not only does it no longer make the policy choices, but moreover, it no longer affects the choices being made.

Many have argued, given the facts summarized above, that Congress no longer affects decision-making on those issues, like the budget, that it has delegated to the executive branch and to the president. The evidence for this proposition is that policy decisions made by the president are rarely if ever challenged by Congress, and that policy recommendations made by the president to Congress "are not seriously reviewed" (Sundquist:12). The complaints of members of Congress with regard to apparent executive usurpa-

1. The 1921 Budget and Accounting Act, for example, redelegated the responsibility to compile budget estimates to the president from the Treasury Department Division of Book Keeping and Warrants. The Act specified that the new budget conform to existing law on agency reporting, which included such minutiae as estimates from the Navy Department for printing and stationary; advertising; postage; fuel oil and candles for navy yards; funeral expenses, etc. See Kiewiet and McCubbins (1989). See also U.S. Congress, House, December 5, 1921.

2. Sundquist (1981:12) describes the difference between delegation and abdication as merely semantic, saying that any delegation by Congress is abdication.

tions of legislative authority have also been cited as evidence for this interpretation.

But, what can we actually infer from these stylized facts, which are entirely consistent with an interpretation that Congress, in delegating, actually has retained *all of its authority* over policy-making? Congress may delegate its authority to make public policy to the executive because it is a more efficient way for members to make policy, and delegation therefore may allow members to make policy on more areas than they otherwise could. Congress could then use direct and indirect means to discipline those in the executive branch charged with carrying out this delegated authority (Kirst; McCubbins and Schwartz; McCubbins et al., 1987, 1989; Weingast and Moran). The Budget and Accounting Act of 1921, for example, contains many provisions to control the revision, compilation, and transmittal of agency budget requests by the president (Kiewiet and McCubbins, 1990: Chapter 9). These provisions have been amended and expanded many times in the intervening years. Through these means, I argue, Congress retains control of policy-making. Members indirectly shape executive decisions as they are being made, thus largely relieving themselves of the need to intervene directly or to challenge executive decisions at a later point.

Second, because Congress holds the power to veto or amend executive recommendations—such as the president's budget—the executive in his proposals likely will anticipate members' reactions and accommodate their demands before submitting his recommendation. Thus, members are rarely seen to "seriously" review presidential proposals, for their demands have already been met in the proposals sent to them. The absence of evidence with respect to congressional influence, therefore, should not be mistaken for the evidence of the absence of congressional influence.

Lastly, as Sundquist noted, forebodings on Capitol Hill with respect to executive ascendency are most marked when the president comes from a different party than the one that controls Congress. Complaints of executive usurpation, then, may reflect more of a desire for decreased delegation in the face of partisan conflict, than actual foreboding about the collapse of American democracy. Indeed, delegations to the executive seem to expand when both branches are controlled by the same party, and to contract when control is divided (Kiewiet and McCubbins, 1990:Chapter 11).

On the other hand, while Congress may not have abdicated its authority to the president, its delegations have indisputably expanded the president's authority. Many analysts contend that the delegation of policy initiation, as in the budget, to the president, has tilted the balance between the branches to the president.[3] Although the president has a vague Constitutional mandate to present proposals to Congress, most successful proposals arise as a result of congressional delegation. And, it was the establishment of legislative clearance at the Budget Bureau, created by the 1921 Budget Act, that has been heralded as the principal source of presidential dominance in this century (Sundquist).

However, even with an explicit delegation of authority to the president, as in the Budget and Accounting Act of 1921, Congress need not even consider the president's proposal. Referring to his troubled budgets at a press conference on October 22, 1987, Reagan observed that "every year under the law I submitted a budget program early in the year, and as they've done every year I've been here, they've put it on the shelf and have refused to even consider it" (*Congressional Quarterly Weekly Report*, October 24, 1987:2626). "When the delegation is not a power to act but only responsibility to recommend," Sundquist observed, "—the executive budget, for instance—the Congress explicitly retains not only its full authority but also its responsibility to act" (Sundquist:12).

1.2. A Mismatch of Capabilities and Incentives?

Congress has the capacity, through the structural details of delegation, and through budgetary and legislative means, to control its delegations. However, although Congress has the ability to exercise control over policy-making, do its members lack the will to do so (Fiorina)?

At times, of course, members of Congress do seem more willing to exercise control. Members of Congress take on the mantle of responsibility most often, however, when the president is from a different party than the one that controls Congress. The mantle of responsibility, it seems, is delegated only when the president and the majorities in Congress share the same party label.

Nonetheless, presidents do gain some influence over outcomes through the recommendations they make. The president and members of his party in Congress run for reelection based, in part, on how well the party does at implementing its platform. Because their electoral fates are partially linked, the president and his party in Congress will find it in their best interest to cooperate on passing the party's platform. Policy initiation, then, is a cooperative process. How much influence is shared by the president in this process

3. Why members of Congress have delegated the authority to propose legislation to the president is explored by Kiewiet and McCubbins (1988). Essentially, they argue that Congress will always delegate to someone the jobs of fact-finding and drafting legislation. The choice is between an executive agency or department, which will be heavily influenced by congressional committees, or the president, who is independent of such "iron triangles." When the members want to establish a check on their own committees, they must secure information from sources independent of those committees. Only one official in the federal government satisfies the requirements—the president.

is open to debate, particularly when his party is in the majority in both houses of Congress.

1.3. Presidential Power and the Veto

In contrast to the powers delegated the president by Congress, the veto conveys to the president a property right in the legislative process. The president's proposal may matter on some occasions and not on others, but the veto applies to all acts of Congress. Moreover, coming last in the sequences of legislation, the president's veto will affect decisions at all the previous stages.

Some people, in analyzing presidential veto, have inferred that it is ineffective because it is rarely used. Again, as in the thesis of presidential dominance, this is a mistaken inference. Members of Congress logically anticipate the president's reaction to their proposals. Their proposals, then, usually are designed to avoid a veto, accommodating the president's demands. Indeed, if members of Congress have good information as to what is and what is not acceptable to the president, there might never be any vetoes!

The influence that the veto gives the president is, however, asymmetrical. The president can use the veto to restrain Congress, to some extent, when he prefers to spend less than do its members. In contrast, the veto provides the president with no means of extracting more appropriations from Congress when he prefers to spend more than its members do (Kiewiet and McCubbins, 1988).

This asymmetry derives from inherent limitations in the veto power. The veto provides the president with only the power to reject acts of Congress; it does not provide him with the power to modify these acts. Thus, Congress submits take-it-or-leave-it offers to the president, who is then faced with choosing between the bill passed by Congress and, at best, some future legislation that may or may not be better for the president.

On spending bills, the president's position is even more precarious: on receiving the bill from Congress, the president can either accept the appropriations contained therein or veto it and let Congress write a continuing resolution.[4] Because of the emergency nature of continuing resolutions, they are virtually veto-proof. Also, because continuing resolutions almost always contain spending that is less than that contained in the corresponding appropriations bills, the president is able to reduce spending (to the level contained in the continuing resolution) through the use or threat of the veto, but he cannot get increased spending from a Congress that does not favor it.

4. Continuing resolutions are joint resolutions that may provide temporary funding for affected agencies when Congress fails to complete action on one or more regular appropriations bills before the start of the fiscal year (Oleszek).

The limited and asymmetric influence conveyed to the president by the veto is illustrated by the budget debates in Reagan's second term. In his budget request for fiscal year 1985, Reagan proposed a 13 percent, inflation-adjusted increase in defense spending for fiscal year 1986. He coupled this with a proposal to slash Social Security and domestic spending and to eliminate cost of living adjustments (COLAs) for federal pension payments (including Social Security).

The new political reality on Capitol Hill, however, did not favor a package of defense increases and domestic spending cuts. Recognizing that the president's budget was "dead on arrival," Senate Budget Committee Chairman Pete Domenici (R-NM) stated his expectation that defense spending would be held to less than a 6 percent inflation-adjusted increase for 1986.

Reagan buckled to the pressure and reduced his defense request to a 5.9 percent inflation-adjusted increase. On the other hand, he requested steep "cuts" in domestic spending totaling $34 billion.

The package of domestic spending cuts and defense increases was still unacceptable to Democrats and liberal Republicans. In March 1985, the Senate Budget Committee voted to recommend an inflation-adjusted *freeze* on defense spending and a freeze on Social Security. In a radio address following the vote, Reagan promised not to compromise on the requested defense increase (March 23, 1985).

Faced with a projected deficit exceeding $200 billion for 1986, and trying to unite a fractured party, the Senate Republican leadership negotiated with Reagan a 3 percent inflation-adjusted increase in defense spending. The package also included an elimination of Social Security and other COLAs, deep "cuts" in domestic spending, and some increases in federal pensions. Reagan in announcing this new deal stated that a 3 percent inflation-adjusted increase was the "rock-bottom level" he would accept (*Congressional Quarterly Weekly Report*, April 27, 1985:771).

But Reagan was holding the wrong end of the veto stick. The veto does not offer the president a means to get increased funding out of a recalcitrant Congress. Despite Reagan's veto threat, the Senate rejected the Republican leadership's package and voted to cut defense and to restore pension COLAs. Ultimately, the Senate approved a budget resolution that reduced, but did not eliminate, COLAs and that provided an increase in defense spending, but limited the increase so that it would only offset the projected rate of inflation for fiscal year 1986 (4 percent).

On the other side of the Capitol, the House Budget Committee, on a party-line vote, recommended more spending for domestic programs and less for defense than the budget passed by the Senate. The committee's recommendation sought to *freeze defense spending without the increase for inflation that the Senate allowed*. The House Budget Committee's recommendation *also cut defense outlays*, but left Social Security unchanged. The House passed the resolution on a party-line vote. Reagan pronounced the

House budget resolution as "unacceptable," adding that "a further cut in defense spending would . . . put the defense of our nation at risk" (*Congressional Quarterly Weekly Report*, May 25, 1985:971).

In conference, the House and Senate settled on the higher defense budget authority proposed in the Senate's bill, but accepted the House's *cut* of $27 billion in defense outlays. Moreover, the compromise accepted much of the domestic spending increases advocated by the House. The conferees also included a reduced cost-of-living adjustment for federal pension and social security recipients. As expected, Reagan accepted the bills passed under this resolution.

When Congress again slashed his requests for defense increases in favor of domestic spending increases in 1986, Reagan again threatened to veto any bill that contained less than the increase in defense spending he had requested. In response to a query on this veto threat, Rep. William Gray (D-PA), chairman of the House Budget Committee, recognizing the asymmetry of influence offered by the veto, countered, "What's he going to do, veto the defense bill because it's too low?" (*Congressional Quarterly Weekly Report*, June 7, 1986:1261). Ultimately, again, the answer was no.

In the final analysis, presidents do make numerous proposals to Congress. Congress generally takes no independent action on an issue prior to the president's request. And on budget, tax, and economic policy, Congress typically enacts legislation that, in its broad outlines at least, is similar to the president's proposal. This does not, however, imply congressional abdication or presidential ascendency. If presidential proposals are to succeed, the president must anticipate the reaction of members of the House and Senate to his proposals and accommodate their demands and interests. Presidents know this, so they rarely submit proposals that are likely to fail. Those who ignore this lesson have their proposals ignored in lieu of congressional proposals, as happened to Reagan's budgets. Further, if Congress has delegated authority to initiate legislation to the president, and thus has requested a proposal from him, and the president is accommodating of congressional interests in his proposal, then members of Congress should be expected to wait for his proposal and to enact something once they get it.

2. PARTIES, COMMITTEES, AND SPENDING

To some analysts of American politics, the runaway deficits of the 1980s are not the unintended result of the Reagan revolution, but rather a consequence of a change in congressional procedure. This perception is based on a well-accepted view that Congress is not so much a democratic institution as a "pluralistic leviathan" (Freeman, Stigler). Central to this view is the thesis, more than a century old, that congressional politics is committee politics (Woodrow Wilson first said it in *Congressional Government* in 1885). As Shepsle writes:

> In terms of making policy, committee politics provided fertile soil for interest group liberalism, policy whirlpools, cozy little triangles, and unholy Trinities. Policy was incubated and crafted by interested members who monopolized the berths on committees important to their constituents' concerns. Proposed legislation attracted few amendments on the floor because political conflicts were resolved inside committees, the legislators most interested were already on them, and those not on a given committee had little expertise and few resources to mobilize against committee recommendations. For all these reasons, deference to the committees' positions became the norm. Thus a gigantic logroll sanctified the division of labor that permitted policymaking by subgovernments—congressional committees, interest groups, and governmental agencies . . . (246–7)

The "interest group liberalism" that purportedly dominates congressional politics, if true, has profound implications for budgeting as well. As Shepsle and Weingast argue:

> The omnipresent electoral imperative induces members of Congress to target expenditures to their electoral constituents or to those who can provide electorally relevant resources. This implies that legislators invent programs, seek funding, and are especially attentive to policy areas that create or maintain jobs within their electoral constituency. . . . Expenditure programs are, as a consequence, biased away from least-cost methods of production so as to favor those methods that yield greater electoral support. (355)

As each subgovernment pursues its policies in the way Shepsle and Weingast describe, the government could well outspend its receipts: "The result is an inefficient public budget from the point of view of the legislature as a whole, spending more on local public projects and local tax favors than all members would prefer" (Inman and Fitts:S88).

To mitigate the effects of "interest group liberalism," members of Congress have purportedly relied on the members of the House Appropriations Committee to guard the federal Treasury, to make the hard choices between supporting their colleagues' programs and the need to economize on spending (Fenno). As Mayhew concluded, "by cutting budgets they work against the diffuse and primal danger that Congress will spend more money than it takes in. They lean against particularism and also against servicing the organized" (153). This system was supported by rules and procedures in Congress that separated authorization from appropriations. It appeared to work reasonably well, producing small but manageable deficits through the 1950s and 1960s.

This all changed with the Congressional Budget and Impoundment Control Act of 1974. Many viewed the new budget process established by the act as a way to coordinate spending and revenue decisions between the various subsystems in order to cut the deficit. But, by transferring authority for establishing overall spending limits to the budget committees, the budget process so weakened the House Appropriations Committee that it could no longer act to guard the Treasury. Instead, its members seemingly became claimants on the Federal Treasury rather than its protector. Because the budget process itself has failed to work, there has been no restraint on spending in Congress.

Two assumptions underlie this explanation of the deficit crisis. First, that "power in Congress has rested in the committees or, increasingly, in the subcommittees," and thus as a consequence, "throughout most of the postwar years, political parties in Congress have been weak, ineffectual organizations" (Dodd and Oppenheimer:50). Second, that the House Appropriations Committee was once the "guardian of the federal Treasury" and now is only a subdued guardian. I examine these assumptions in turn, arguing that congressional parties and party leaders exercised more control and greater influence in congressional politics, and in budgeting in particular, than commonly has been perceived. I then seek to explain the budgetary decisions of the 1980s in light of this new understanding.

2.1. The Institutions of Agency: Parties and Committees

The common view of weak parties and autonomous committees in Congress, in its logical form, is identical to the view of presidential dominance presented in Section 1. The membership of each house has delegated to the committees in each house wide-ranging authority to write legislation, hold hearings, and oversee the executive branch. This delegation, as was the case in interpreting delegation to the executive, has been mistaken for abdication.

Two factors underpin the importance and autonomy of committees and subcommittees:

> First, committees and their subcommittees originate legislation. Although there is some built-in overlap in committee and subcommittee jurisdictions, these units typically have jurisdictional monopoly over specific public policies. As a result, changes in statutory policy require the assent of relevant committee and subcommittee majorities. In other words, changes in policy may be vetoed by committees and subcommittees if their preferences are not reflected in the new policy (Shepsle and Weingast:351).

And second,

> [I]n order for them to maintain control and influence, as well as to take even more affirmative steps in representing the interests of the policy constituencies, it must be the case that legislative majorities or other power centers in the legislature cannot or will not frustrate their designs. We maintain that this circumstance is achieved by the honoring of subcommittee veto power and other forms of reciprocity. Each subcommittee has its own turf, both to protect and to cultivate. The current arrangement among the committees of congress embodies the bargain, "You can retain veto power and influence in your area if I can retain it in mine." The important consequence of this bargain among subcommittees is that people on the relevant subcommittees hold the power to protect and enhance the flow of public benefits to their constituents (Shepsle and Weingast:353).

This view of committee and subcommittee power has been developed to explain a set of generalized observations on congressional behavior. It explains, for example, why coalitions within Congress are seemingly universal and nonpartisan—the reason is that all members face the same necessity, to bring home particularistic benefits, and the institutions are geared toward establishing and enforcing vote trades across projects and benefits. It also follows, for the same reason, that party discipline will be very lax—the vote trades cross party lines. Committees also use their powers, particularly their ex post veto, to ensure that amendments rarely get offered to their bills, and when they are offered, few, if any, are successful. Further, committees can withhold legislation from consideration even in opposition to concerted floor majorities. Lastly, because committees are central to the policy-making process, committee members spend most of their time and effort in their committee work.

But, are not these observations consistent with party control of committees? If congressional party organizations controlled committee decision-making, we would expect to observe all of the things typically recounted in support of the subgovernment model of congressional politics. Indeed, none of the things listed above discriminate between the two views (for some critical tests, see Kiewiet and McCubbins, 1990; Cox and McCubbins, 1989). And, in fact, we do observe obvious violations of this cozy view of subcommittee autonomy. Multiple referrals, where legislation is sent to several subcommittees, are increasingly common in the House.

The influence of congressional parties and their leadership may be indirect rather than direct and overt. Members of Congress design their institutions to fit their purposes. Students of American politics have tended to focus on those aspects of congressional institutions that enable members to bring home private goods (projects or programs for their own districts). Studies of congressional behavior have focused largely on how members secure water projects, military bases, roads, and post offices for their districts, and the consequences of these activities for their political survival. These studies, of course, assume that voters appreciate projects in their district and that members can build reputations as good providers of federal pork.

However, party affiliations are also an important ingredient in voters' decisions: party labels signal information that is otherwise very expensive for voters to obtain about the policy positions of candidates. As a result, politicians, in seeking office, also establish reputations as partisans and, moreover, have an incentive to enhance the collective reputation of their party. Thus, politicians adopt a mixture of collective (i.e., partisan) and individual (i.e., district-oriented) activities in seeking reelection.

It follows that members will seek to structure Congress in such a way as to facilitate *both* of these activities. Party organizations, their leadership, and the committees that serve them provide the institutional means for pursuing the collective goals of party members. This leads to the enactment and implementation of policies that affect a large proportion of congressional districts, for which the members of the majority party can claim credit.

But these pursuits are not to the exclusion of individual district-oriented benefits. It is in the interest of all members of the majority party to establish a system that enables party members to secure the individual district-oriented benefits they need to enhance their individual reputations. Thus, the majority-party leadership uses its agenda powers, in concert with the agenda powers assigned to committees, to secure the omnibus pork-barrel logroll so familiar to congressional scholars.

The congressional parties, of course, delegate much of the authority to make these kinds of decisions to the leadership and to committees, although the Democratic caucus has at times sat down as a whole and made policy for the Democratic majority. In delegating, the congressional parties encounter the agency problems ubiquitous to human experience: for a variety of reasons, intentional or not, the persons to whom authority is delegated may not carry out their authority in the best interests of those doing the delegating. So pernicious are these problems that their existence has led many scholars to conclude that the congressional parties have, in fact, abdicated their authority to the standing committees and subcommittees of Congress.

The abdication conclusion, however, ignores the efforts on the part of the congressional parties to mitigate these delegation problems, and the effect their efforts have on structuring choices and outcomes. Those in authority, holding positions of trust within the party organization, are compensated for their efforts. Sanctions, of course, can also be applied to those who misuse the authority delegated to them. Further, one often-noted feature of the legislative game, as it is currently structured, is the multiplicity of veto points. Both authorizing and appropriating committees, as well as the party leadership, have a say in the passage of legislation. This system can be viewed as follows: both committees and leaders are agents of the majority caucus; one of the techniques used to control these agents is to give them mutual checks on each others' actions. In essence, like the separation of powers designed into the structure of the federal government, party organizations—in particular, the party leadership—and the system of standing committees, form a separation of powers, a system of checks and balances, that protects members of Congress from opportunistic behavior on the part of their agents.

Another important avenue through which parties mitigate these problems with respect to standing committees is appointments. Both parties have committees that appoint their members to standing committees. It does not seem likely that those in the party responsible for making committee assignments would merely sell committee posts to the highest bidders; rather, we should expect that they would use committee assignments to further their substantive interests. Indeed, appointments to the control committees—

Appropriations, Rules, and Ways and Means—and transfers from the lesser committees to the major committees are strongly affected by the leadership's desires and are determined, to an extent, by past party loyalty (Rohde and Shepsle; Shepsle; Cox and McCubbins, 1990:Chapter 6).

Committee activities can also be constrained through procedural restrictions. For example, reporting requirements make it difficult for committees to hide information relevant to the evaluation of their recommendations. The Government in the Sunshine Act opened up committee hearings so that committee members could no longer have access to information that others did not, committees are also required to report their findings in submitting major legislation to the floor. Procedures can also establish access points for selected representatives and constituencies to have input into committee decisions; and, moreover, they can be used to establish a system of checks on committee decisions.

Some standing committees, of course, will receive greater scrutiny over their activities in their appointments and procedures than will others. A few committees have jurisdiction over issues that are encompassed, at lest implicitly, in the meaning of the party label. Because the party's label is a collective good for its members, the actions of these committees affect everyone in the party; and, collectively, the party and its leaders have a greater interest in mitigating the agency problems that arise vis-à-vis these committees. Social Security, for example, has been a core Democratic program since The New Deal, and the Committee on Ways and Means, which was delegated jurisdiction over this program, has been an important committee for the Democrats.

Not all committees, however, have jurisdictions over collectively important policy areas. Some standing committees have jurisdiction over issues unrelated, or only minimally related, to the issues that voters identify with the party. These are usually committees, such as Post Office (since World War II), Interior, and Merchant Marine and Fisheries, whose jurisdiction covers topics affecting only a minority of members. The legislation proposed by these committees has few external effects: the effects largely are limited to those members whose districts are targeted for projects or benefits in the bill.

The majority party caucus treats different committees differently. Those committees whose policies have the greatest external effects will be the target of the greatest attention and party control. In other words, those committees whose jurisdictions overlap with the issues that identify the majority party will be subject to greater scrutiny and more careful screening: the appointment committee will seek to ensure, through the appointments it makes, that these standing committees will pursue the majority party's agenda. Committees such as Ways and Means, Appropriations, Rules, and Budget will be subject to the greatest control efforts because of their policy jurisdictions. Committees such as Agriculture (since 1960 at least) or Merchant Marine and Fisheries, on the other hand, may escape serious efforts to "stack" their assignments.

Without question, committees and their chairmen do have some, possibly extensive, discretion; there are decisions on minor issues (i.e., issues with a few external effects on the majority of the party) over which the majority party caucus will find it impractical to discipline committees and their chairmen for policy breaches. However, as the removal of Wright Patman, W. R. Poage, Edward Hebert, and Mel Price, and the threatened removal of Les Aspin demonstrate, this range of discretion is not infinite: party caucuses do take measures to ensure that committees act in a manner responsible to the will of the majority party, especially on issues that will affect the collective reputation of the party. Sanctions against committees and their chairmen are, of course, rare because they are a clumsy and very expensive form of discipline, and because a word to the wise (or an occasional public hanging) is usually sufficient.

Again, delegation, in this case from the majority party caucus to the standing committees of Congress, in the conventional view of committees, has been mistaken for abdication. The transfer of authority has been recognized, the actions of the agents (i.e., committees) witnessed. What have not been appreciated, however, are the mechanisms used by the majority party to direct the actions and choices of their committees, and the effect these mechanisms have on committee actions.

If committees are agents of party caucuses, then we expect most of the decisions in Congress would be made in committee—that is, after all, their function; and that committee members would acquire expertise in the committee's jurisdiction—that is, after all, why they were delegated the jurisdiction in the first place. We do not expect these functions to be uncontrolled, however, and we witness many and varied attempts by majority party caucuses and their leadership to control committees. Further, having anticipated the reaction of the majority party to its proposals, the committee can expect that few of its bills will be amended or rejected on the floor. The absence of amendments to committee bills by floor majorities is, in fact, equally good evidence that committees are good and responsible agents of the majority part. We also expect members to spend most of their time in Washington attending to their committee duties; it is their job as delegated by the majority party caucus.

2.2. The Role of the House Appropriations Committee

In Richard Fenno's classic account, the House Appropriations Committee was depicted as a budget-slashing "guardian of the federal Treasury" (353), protecting the House from the budgetary excesses of its own committees and

from budget-maximizing bureaucrats. Fenno reported, for the 36 bureaus on which he collected data for the period 1947–1962, that the amount recommended by the House Appropriations Committee for a bureau was less than the amount requested by the president in 73.6 percent of the 575 cases in his data set (Fenno:353, Table 8.1). My own research, for 1948–1985 over a larger set of agencies and programs, confirms this general finding (McCubbins; Kiewiet and McCubbins, 1990).[5]

However, do these statistics constitute evidence that the "dominant pattern" (Fenno:353) for the House Appropriations Committee is to guard the Treasury? What would be expected of the committee's recommendations were it not guarding the federal Treasury? If the procedural restrictions on the Budget Bureau work to constrain the bureau's ability to revise agency budget estimates, and agencies compile estimates in accordance with the legislation that authorized their activities, then presidential requests will reflect, to a large extent, the level of funding preferred by the authorizing committees in Congress.[6] These figures, of course, are often revised according to the president's policy guidelines. If many committees can be expected to prefer more spending on items within their jurisdiction than would be preferred by the House as a whole or by the majority party as a whole, and if the House Appropriations Committee is relatively representative of the House and the majority party (Kiewiet and McCubbins, 1990), then, for most items, the members of the House Appropriations Committee will prefer to spend less than the members on the committee that authorized the item. Consequently, the House Appropriations Committee will cut the spending requests made for most agencies by the president. Thus, even if they are not guarding the federal Treasury, the members of the House Appropriations Committee can be expected in most years to cut most executive budget requests.

In Fenno's account of the House Appropriations Committee, party politics plays essentially no role. I have argued that the partisan contingents on the committee are agents of their parties, and that as a result the committee functions as an agent of the majority party, pursuing the collective policy goals of the majority party's membership. These goals may sometimes be to cut the budget, but they are not necessarily so. Consequently, the varying goals of the parties controlling the White House and the House of Represen-

5. The obverse, of course, is that the committee increased spending for over 19 percent of the budget items that came before it, and they granted an amount equal to the President's request in almost 10 percent of the cases. The proportion of times the committee recommended an increase for one of these items over the president's request ranged from zero percent in fiscal year 1947 to over 13 percent in fiscal years 1959–1961, to a high of 51 percent in 1984.

6. This, of course, is implicitly Mayhew's model of agency estimates. If we are to believe that the committee is protecting members from themselves, the estimates the committee deals with must be a reflection of their own desires. If they were not, then the committee would be protecting members from the executive branch, not from themselves.

tatives, determine, for example, the treatment afforded the president's budget requests by the House Committee on Appropriations: with Democratic majorities favoring higher spending on domestic programs than Republican majorities. As shown in Table 1, how often the committee cuts the president's requests is determined by partisan factors.

In the table, the committee's treatment of the president's request for an agency or program (whether the committee's recommendation is less than, equal to, or greater than the president's request) is tabulated against partisan factors (a cross-match of the partisan control of the executive branch by the partisan control of the House). The table shows that the House committee is most likely to cut the president's requests when the president is a Democrat and the House is controlled by the Republicans (cuts amount to 93 percent of actions taken); that the committee is somewhat less likely to cut the executive's requests when the same party controls both bodies—whether controlled by the Democrats or the Republicans, the committee cuts nearly 80 percent of the requests in my sample; but a Democratic committee is far less likely to cut a Republican president's requests: only 57 percent of requests were cut by the committee under these circumstances. Further, when the Democrats hold a majority in the House, but the president and a majority of the Senate are Republicans, the committee ends up cutting only 38 percent of the president's requests, and actually proposes *increases* for 55 percent of the items. Fenno described such changes as "mood" swings, where the committee would shift from an "economy mood" to a "spending mood." The pattern in Table 1 suggests that the mood toward executive budget requests by the House Appropriations Committee is determined by partisan differences between the House, Senate, and the executive.

Further, if the guardianship hypothesis is correct, I would never expect the House, in its amendments, to decrease the committee's recommenda-

Table 1. House Appropriations Committee Treatment of Presidential Budget Requests by Partisan Control of Government

Count (Col. %)	Pres-Rep Congress-Rep	Pres-Rep Congress-Dem	Pres-Rep House-Dem Senate-Rep	Pres-Dem Congress-Rep	Pres-Dem Congress-Dem
HAC<Pres	73 (80.2)	486 (67.1)	90 (38.5)	80 (93.0)	667 (78.7)
HAC=Pres	12 (13.2)	104 (14.4)	14 (6.0)	4 (4.7)	70 (8.3)
HAC>Pres	6 (6.6)	134 (18.5)	130 (55.6)	2 (2.3)	111 (13.1)
Column total	91 (4.6)	724 (36.5)	234 (11.8)	86 (4.3)	848 (42.8)

$\chi^2(8\ \text{df}) = 270.3$.

tions. The committee, after all, is supposedly doing a job the House is incapable of doing, holding back spending. What I find, however, is that for the spending recommendations made by the committee for individual agencies and programs, of those recommendations that were amended by floor action, more than 58 percent were decreases, and only 42 percent were increases. Of the appropriations bills amended by the House that I examined, 106, or 43 percent, reduced the totals recommended by the House Appropriations Committee.

Has the Budget Act of 1974 changed the House Appropriations Committee from the Treasury guardian it once was to the subdued guardians who now seek their own claims on the federal Treasury? There is no evidence that it was a guardian or that its function has in fact changed. It has been, and still is, a check upon the authority of the other standing committees in the House, a check used by the majority-party leadership to ensure that the policies pursued by the other standing committees in the House reflect the collective goals of the membership of the majority party. This suggests that it is not a change in the behavior of members of the House Appropriations Committee, nor is it a change in the spending process, that wrought the deficits of the 1980s.

2.3. The Congressional Budget Process and the Role of the House Appropriations Committee

The budget process provides another series of checks. Indeed, many of the changes of the Hansen committee (Rohde) and the Budget Act (Kiewiet and McCubbins, 1990) were instituted not to decentralize decision-making as argued by Inman and Fitts, but rather to strengthen party leadership.

The budget process created by the 1974 act has three key components. First, it created budget committees responsible for setting guidelines for all aspects of federal spending and revenue. Second, it requires authorizing committees to "reconcile" spending policy within their respective jurisdictions with the guidelines. Third, if a committee fails to recommend legislation providing satisfactory reconciliation, then the Budget Committee can write the reconciliation legislation for them.

To ensure that the budget committees are responsible to the majority party caucus and its leadership, the act also established a special relationship between the committee and the party leadership. Members are hand-picked by the leadership, and tenure and seniority norms observed for other committees do not apply. The majority party leadership, by these procedures, has relatively greater control, year in and year out, over the composition of the Budget Committee than it does over the composition of any other committee, allowing the majority party leadership to use the budget process to inject the majority party's priorities into the decisions of all committees.

The Republicans in the Senate and the Democrats in the House chose alternative strategies in using the budget process to further their programs. The Republican leadership used the budget process to give direction to Senate committees. The Democrats used the budget process as a means to unite the party behind a common program, with the House Budget Committee holding hearings with the entire Democratic caucus.

Ultimately, the result of these efforts on the part of party caucuses to control the product and actions of committees is that spending policy reflects the desires of the majority party in each chamber. Indeed, the single best predictor of changes in spending policy for almost the whole range of federal programs and agencies is party control of Congress and the White House (Kiewiet and McCubbins, 1990:Chapter 8). This analysis suggests that policy is influenced, to a far greater extent than is commonly believed, by party politics.

3. APPEARANCES ARE OFTEN DECEIVING

Social scientists are too often inclined to infer far too much from appearances. Much federal spending appears to be "inefficient." Some presidents appear to be powerful, while others appear to be weak. Congressional parties appear to be "strong and stable" at some times, but "decaying" at other times. Congressional committees appear to have become autonomous and independent power centers in their policy areas. Centralizing forces, such as presidents and party organizers, appear to be good, as they reduce budget inefficiencies, while the forces of decentralization, committees and subcommittees, are bad in that they prosper directly on the inefficiencies of the federal budget process.

However, as Democratic readers of the Grace Commission report may recall, "pork" is a subjective label. The "domestic" spending that Inman and Fitts define to be "inefficient" encompasses spending for everything from environmental clean-ups to the weather service to the taking of the census to internal revenue collection, national parks, highway construction, coining of money, lighthouse repair and construction, school assistance, scientific research (including the support acknowledged by Inman and Fitts from the National Science Foundation), prisons, the Department of Justice, and the judiciary, and hundreds of other activities that *appear* to be public goods. It also includes many activities, established by the Democrats, that Republicans often label as "pork"—housing assistance, fair-housing assistance, Amtrak, employment and training assistance, food stamps, and rural wastewater disposal grants. On the other hand, those things that appear to be public goods to the Republicans, such as defense, contain procurement contracts that spread spending far and wide and military bases that are jealously and bitterly guarded against the possibility that they be closed or scaled down.

Assessments of the fat content of appropriations thus tend to be somewhat subjective. So, too, are power rankings. Some presidents appear to be powerful, to a poll of historians at least. These presidents appear to dampen congressionally created spending inefficiencies, or so they say when they run for office. The strongest president in the poll, Franklin Roosevelt, in fact not only asked for huge increases in domestic spending, but saw Congress actually cut his requests for everything from public works to labor activities (by more than 25 percent for Roosevelt's fiscal year 1936 spending requests). John Kennedy and Lyndon Johnson, two other strong presidents, also asked for dramatic increases in domestic spending, and received substantially less than they asked for from the presumedly profligate Congress. Warren Harding, on the other hand, although judged by historians to be the dishrag of presidents, saw his domestic spending proposals stand up rather well with the Republican majorities in Congress. His fiscal year 1922 domestic spending proposals, for example, were cut less than 2 percent by a Congress eager to eliminate Democratic programs started under Wilson.

Power is seductive, it makes modeling easier. We can exclude from our models those actors in the policy process who appear to be powerless, and model only those who appear to be powerful. But, the appearance of power is often deceiving. Congressional parties, as I have argued here, can be highly successful in their delegation to the president and to committees, and yet appear to be very weak in comparison to them. Presidents can appear to be powerful, yet the majority party in Congress manages to obtain nearly all of its policy goals and wins reelection for almost all of its members. Congressional committees can appear to be powerful, yet their product clearly shows the imprint of the majority party. Building our models upon the appearance of power is, at best, a dangerous substitute for critical thinking about the logic of a strategic interaction.

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