

# Party Influence in a Bicameral Setting: U.S. Appropriations from 1880-1947

June 24 2013

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# Bicameralism & Policy Outcomes

1. How valuable is bicameralism to the lawmaking process?
2. How different might our policy outcomes be if laws were drafted by just one legislative chamber?

# The Task: Describing Chamber Leverage

- Historical Analysis: 1880 – 1947
- Post-War Analysis: 1948 – 2012
- Institutional Learning: A reevaluation of the bicameral bargaining process by building off of the above projects and archival research.

# Come on Owens!

## We already know the Senate Wins

- Fenno (1966), Ferejohn (1975), Gross (1980), Steiner (1951), Manley (1970), Strom and Rundquist (1977)
  - All argued for why the Senate wins more in conference using monetary legislation.

Does this advantage occur across all congresses? Is it stationary?

Furthermore, politics have changed and conference committees occur less often today (Ryan 2011; Stewart 2012).

# Theories of Lawmaking in the U.S.

## **U.S. House of Representatives**

- Agenda control
- Special rules most often limit amendments or waive points of order
- Manipulating the agenda biases policy outcomes

## **United States Senate**

- The filibuster
- Super majority coalitions expand the gridlock zone.
- Senate offers policy concessions to move legislation forward.

# Bicameralism & Policy Outcomes

William Riker (1992, 102)

“bicameralism can prevent bad laws from passing,  
for example:

- Requirement of legislative supermajorities
- Separate selection of executives
- Multi-party proportional representation
- Judicial vetoes on legislation

“bicameralism is at least as efficient in moderating  
arbitrariness and injustice as these other  
institutions and, in some significant ways,  
superior.”

# EITM Application

## Goal

- Simplify our expectation of how bicameralism moderates policy outcomes

To do this:

- The bill is my unit of analysis
- What constraints within each chamber are mechanisms for policy change
- Show that bicameralism's influence policy outcomes is a dynamic process

## Assumptions

- Bills reported by the chamber are sincere policy alternatives in both bodies.
- The direction the Senate amends the House bill does not have an effect on the nature of the bargain.
  - Percentage the Senate cut the House proposal
- The policy preferences of legislators within the chamber on appropriations bills can be grouped by the dominant left-right dimension, which has been described as the economic conservatism or the role of government (Poole and Rosenthal 1997, also see Crespin Rohde 2010).

# 1) The Key to the Senate's Leverage

## Institutional Development:

1890-1913 – Formal Leadership in the Senate Emerged

1919 – first time cloture is invoked

1921 – Budget and Accounting Act

- Budget Proposal from the President
- Reorganization of the Appropriation Subcommittees

# Institutional Hypothesis

- (A) The lack of centralized power in the Senate increases the likelihood that a policy will be changed to expand the policy space.
  
- (B) As a function of the degree of bicameral disagreement, the lack of centralized power in the Senate increases the likelihood the Senate will have the greatest leverage over the final policy outcome.

## 2) Behavioral Development

1914 – *Seventeenth Amendment*

1920s – Increase in Partisanship / Decrease in Party Polarization

1920s – After World War I the norm of balancing the budget was broken

# Behavioral Hypotheses

When the House majority seeks to bias the outcome of fiscal policy for electoral gain, the Senate will have more leverage over the final policy outcome.

# 3) Changing Dynamics in Congress

1. Up to 1912 the Nation was growing
2. Congress's workload dramatically increased (1920s & 1930s)
  - Federal Government was growing
3. Greater demand for large policy scopes changed policymaking

# Dynamic Hypotheses

The Senate is granted more leverage in a bicameral agreement as a legislative deadline approaches.

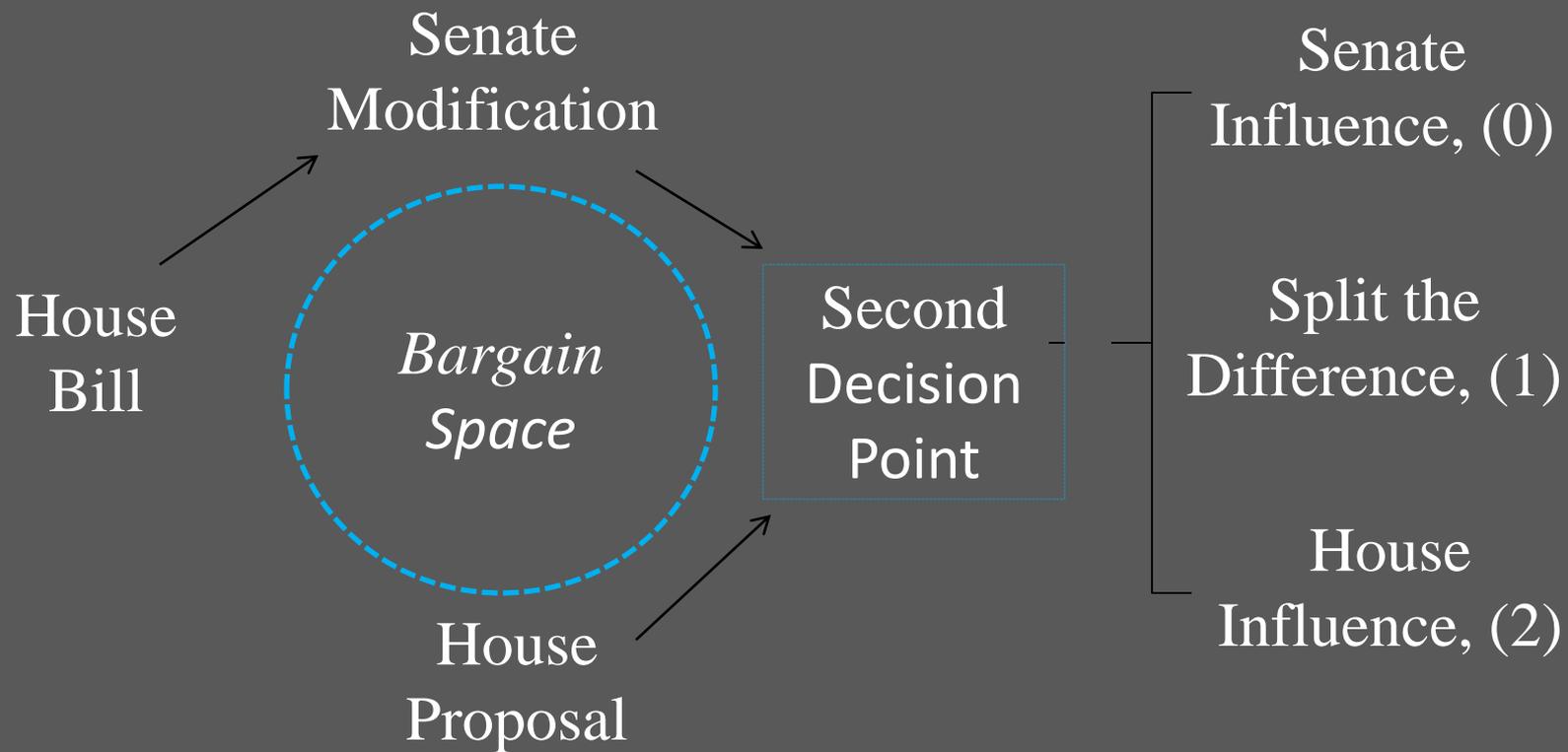
# Dependent Variable

## *Ratio of Senate Leverage*

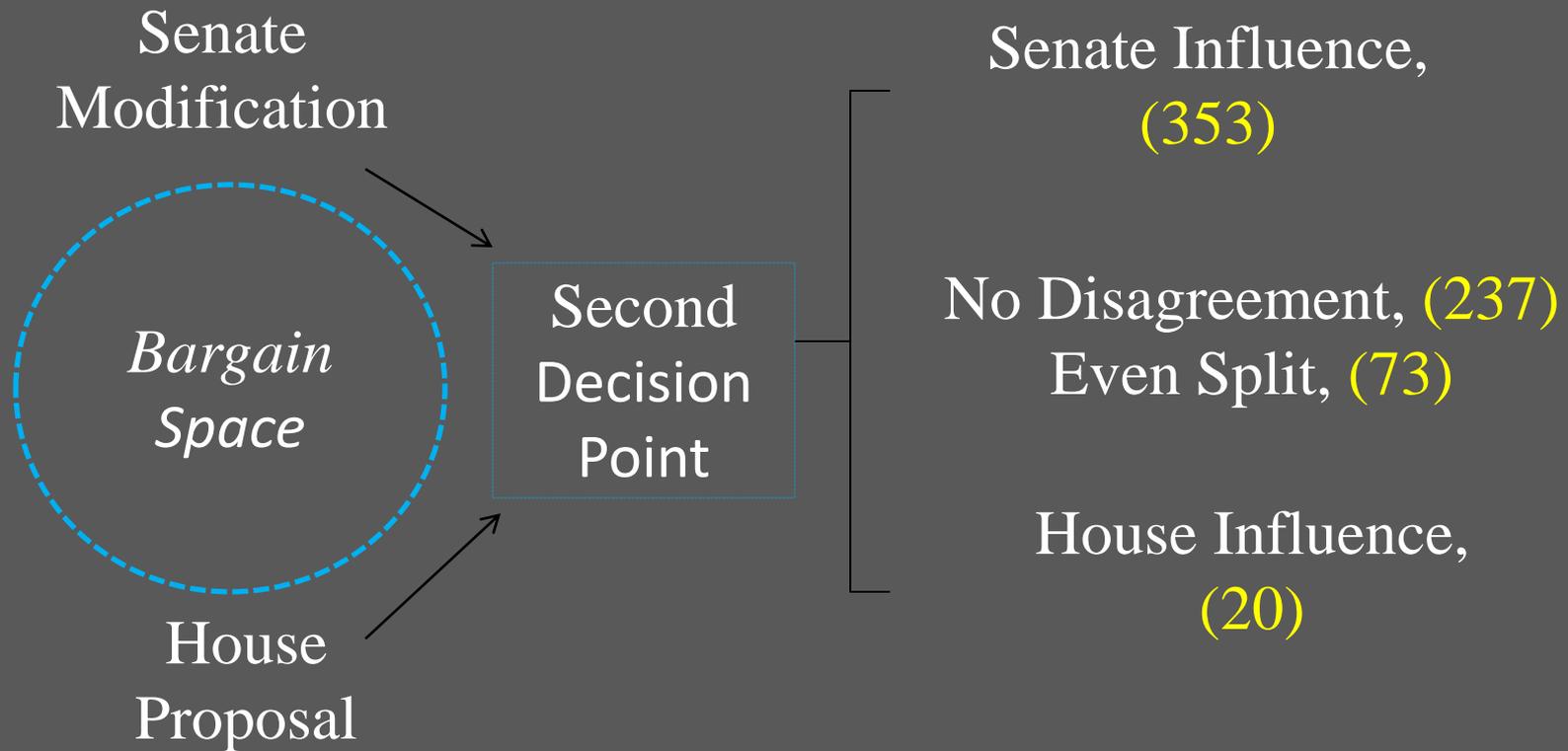
- How much of the Senate's policy preference is reflected in the final policy, given the disagreement between the two chambers?

$$\frac{|(\text{Senate Bill} - \text{Final Agreement})| + 1}{|(\text{Senate Bill} - \text{House Bill})| + 1}$$

# Competing Expectations for the Two Chambers

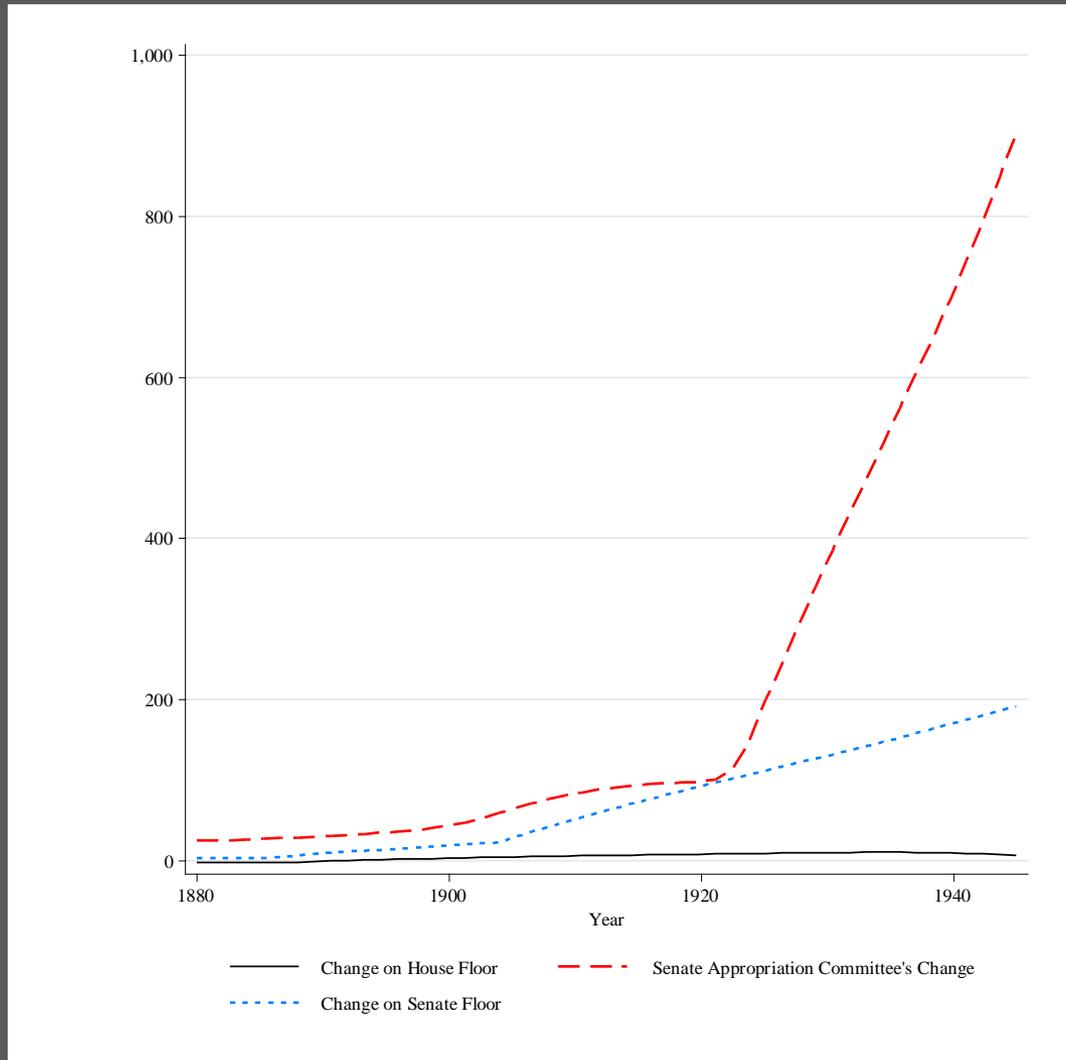


# How Does that Theory Fit Reality



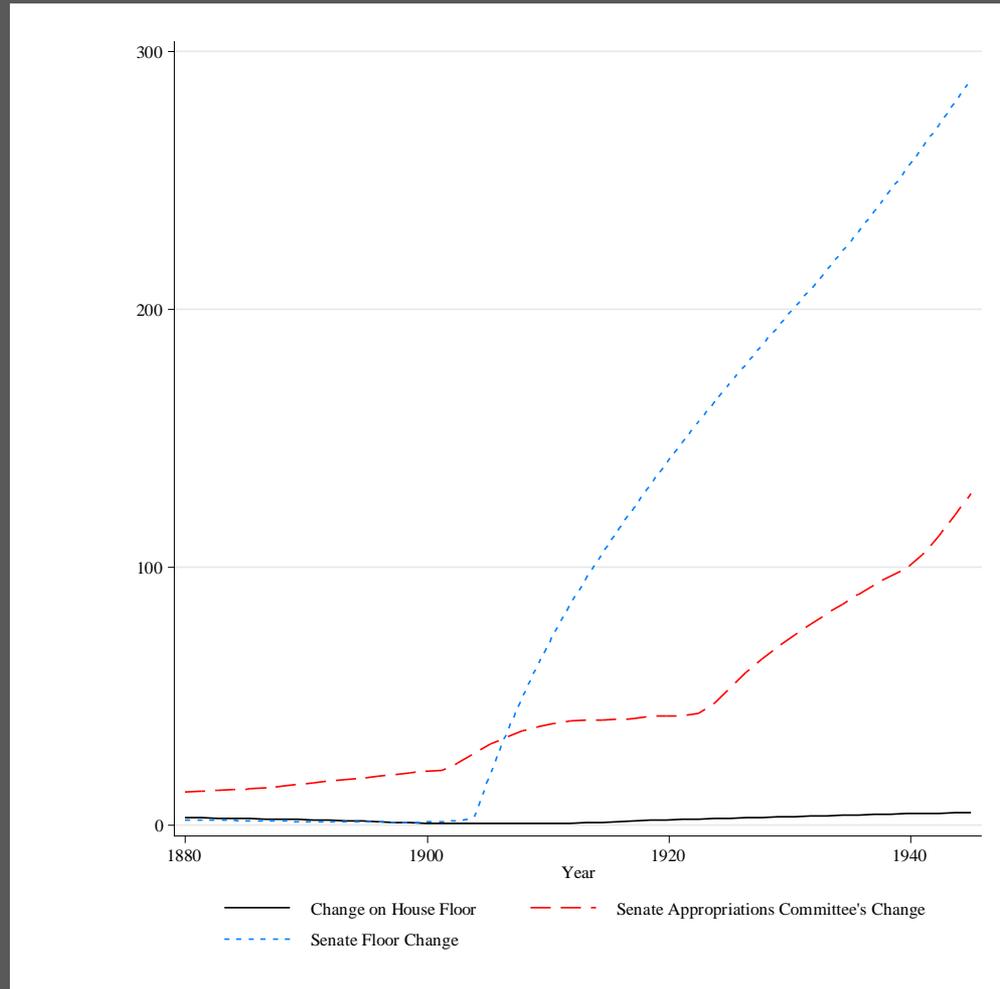
Note: 6% of bills cannot be explained, because the ratio is greater than 2

# Changes in Policy Content: All Appropriation Bills

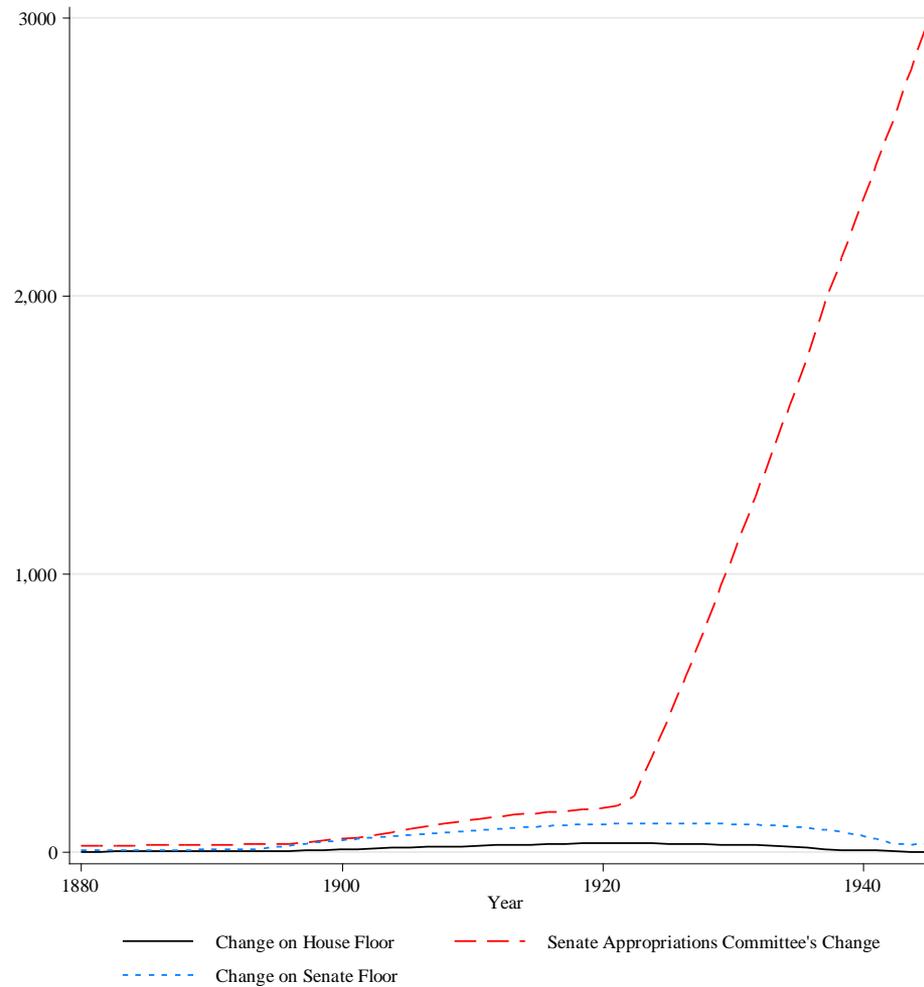


*Local Polynomial Lowess Smoother*

# Changes in Policy Content: Federal Operations

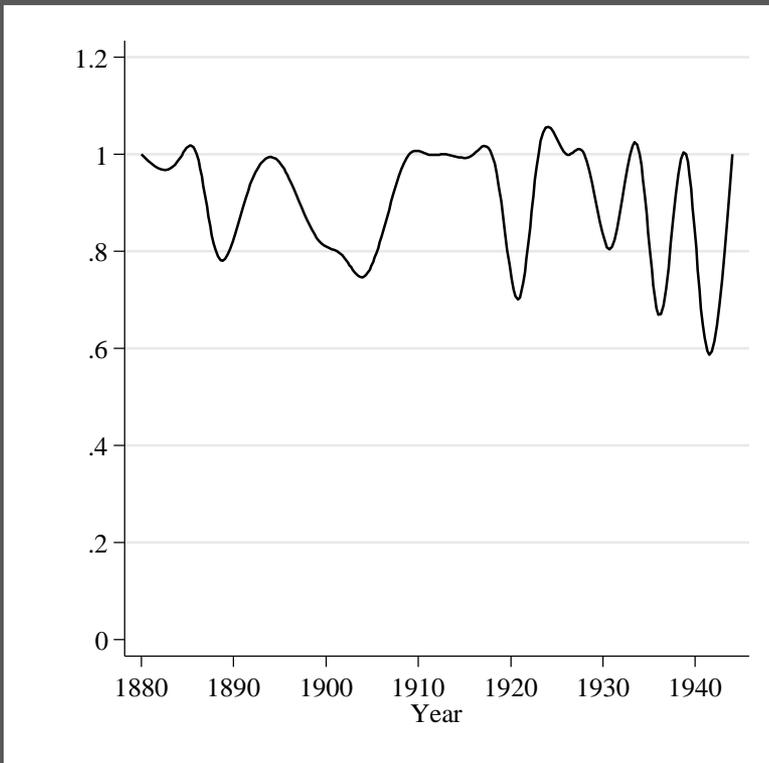


# Changes in Policy Content: Defense Appropriations

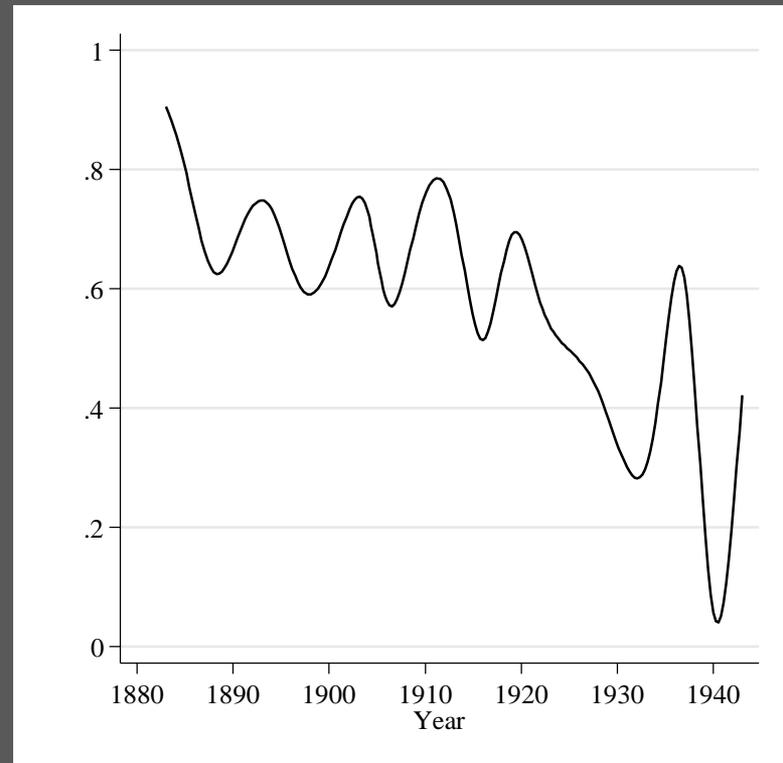


# *Descriptive Statistics*

## All Bills



## Bills the Senate Modified



# Model of Party Influence in a Bicameral Setting

## ARCH (2) Model

$$\text{Leverage} = \rho_{t-1}(\text{Leverage}) + \rho_{t-2}(\text{Leverage}) + \Sigma (\text{Chamber Differences}) + \Sigma(\text{Contextual Effects}) + \varepsilon_t$$

Chamber Differences	Contextual Effects
$\beta_1 X_1 = \text{House Polarization}$	$\beta_5 X_5 = \text{Days left}$
$\beta_2 X_2 = \text{Senate Moderates}$	$\beta_6 X_6 = \text{National debt}$
$\beta_3 X_3 = \% \text{ Senate in majority}$	$\beta_7 X_7 = \text{Chamber Workload}$
$\beta_4 X_4 = \text{House Special Rule}$	

*Table 1: Estimated Senate Leverage from 1880-1947*

	ARCH Coef. (S.E.)	OLS Coef. (S.E.)
House Polarization	-0.86* (0.40)	-0.94* (0.40)
Senate Moderates	-0.55* (0.34)	-0.73* (0.34)
% Senate Majority	-0.12 (0.26)	0.04 (0.25)
House Special Rule	-0.06 (0.04)	-0.07 (0.05)
Days Left	-0.0003 (0.0002)	-0.0002 0.0002
U.S. Debt, in billions	-0.001* (0.0003)	-0.001* (0.0003)
Workload	-0.03 (0.03)	-0.02 (0.03)
Constant	1.74 (0.38)	1.77 (0.38)
Arch (lag 1)	0.19* (0.07)	
Arch (lag 2)	0.05 (0.04)	
Constant	0.10 (0.01)	
N	684	687
Wald $\chi^2$ (7)	26.74	R <sup>2</sup> =0.04
Prob > $\chi^2$	< 0.01	
Log pseudo likelihood	-250.32	

# Policy Effects of Bicameralism

## Appropriations Bills Favor the Senate:

1. The parties in the House are polarized.
  1. The House majority looks to bias policy outcomes to favor its membership (Cartel Theory and Conditional Party Government)
  
2. As the number of Senate moderates increases.
  1. Parties are more heterogeneous making consensus more difficult and policy moderation more likely.
  
3. When the National debt is high.
  1. This seems contradictory, but the House is more likely to seek narrow policy outcomes to slow the growth of the deficit.

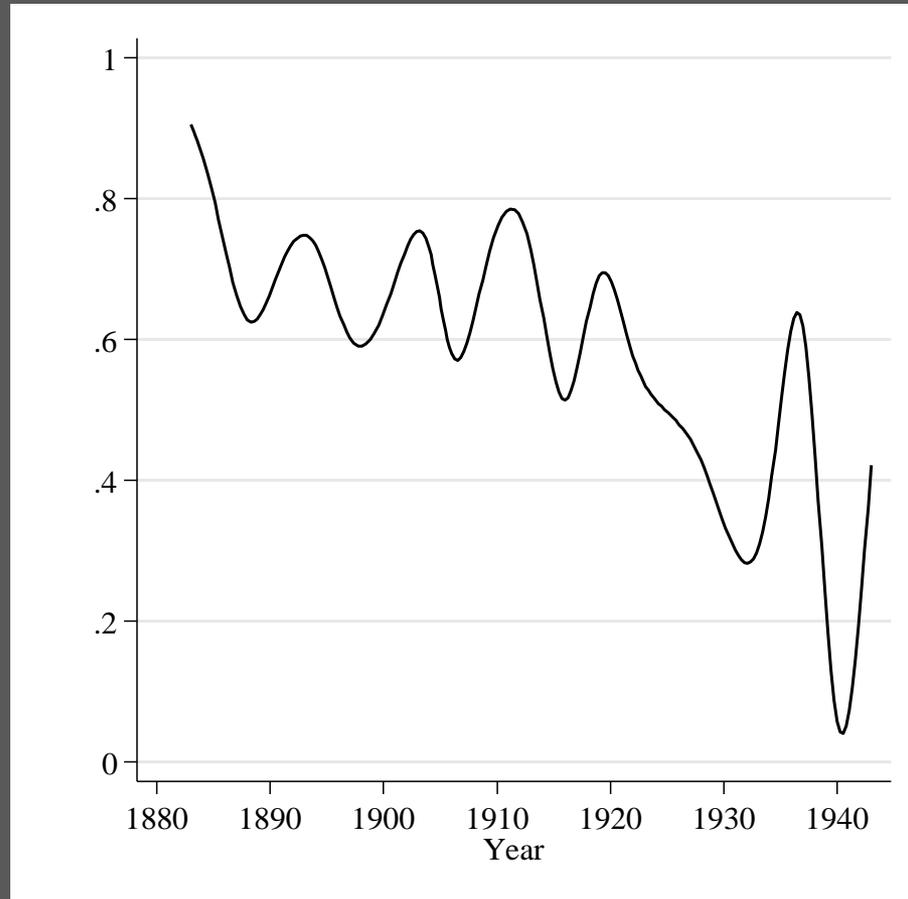
# Conclusion

- Bicameralism does create stable policy outcomes in the United States, because of the differing institutional rules in the U.S. House and U.S. Senate.
- Given the degree of policy disagreement in the Senate and how the bill is debated, we can estimate how much the House's appropriation estimate will be amended.

# (First) Closing

- Before saying bicameralism is dysfunctional, observe periods when Congress passed legislation.
  - What were the previous institutional innovations
  - If we are to change the Senate's rules what will the policy consequences be?
- Does this mean Small States receive more representation, as well as leverage over policy?
  - See Lee and Oppenheimer (1999)

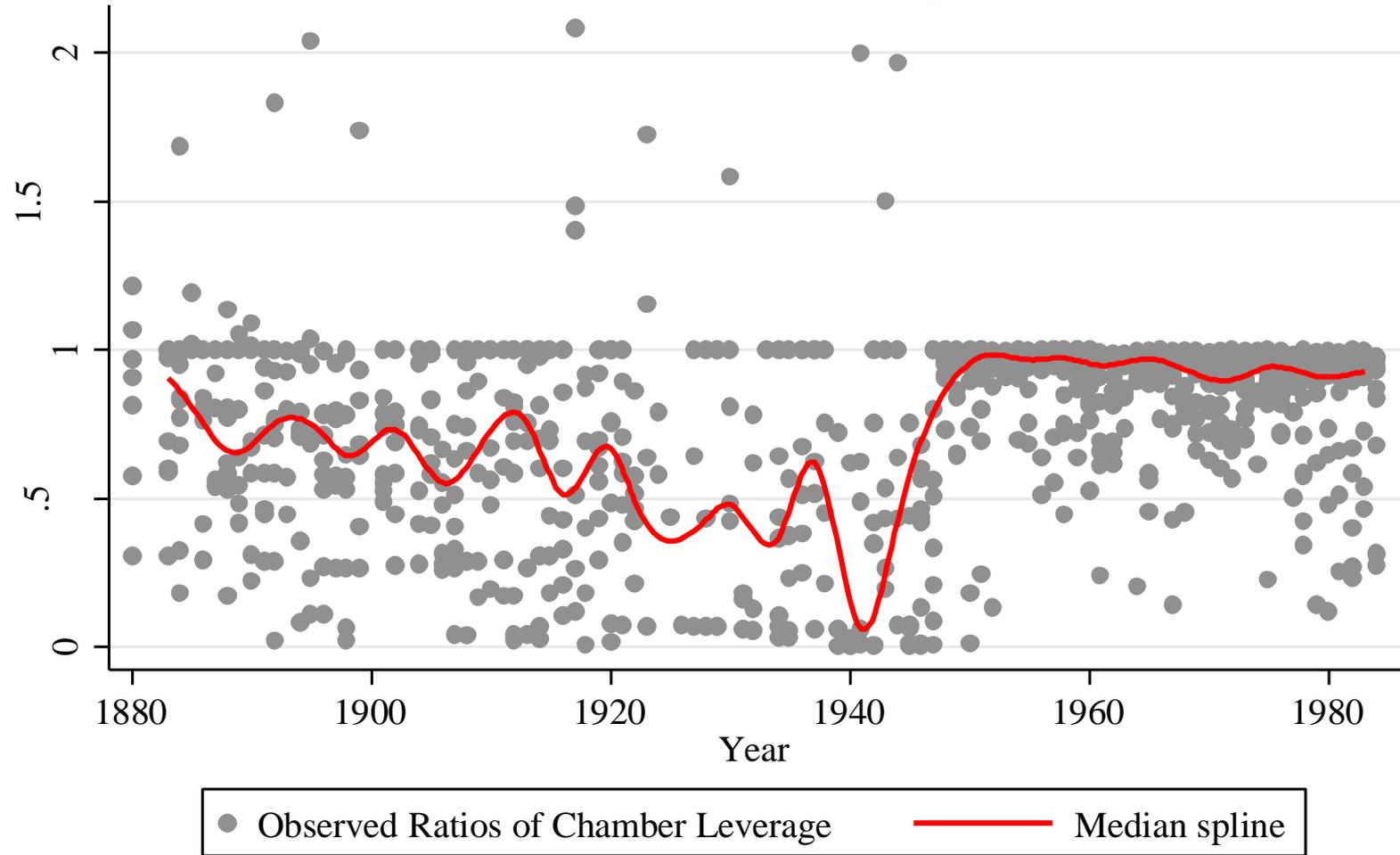
# Where do I go from here...



Do you believe me that the Senate has continuously held this leverage?

# Chamber Leverage: U.S. Appropriations 1880-1984

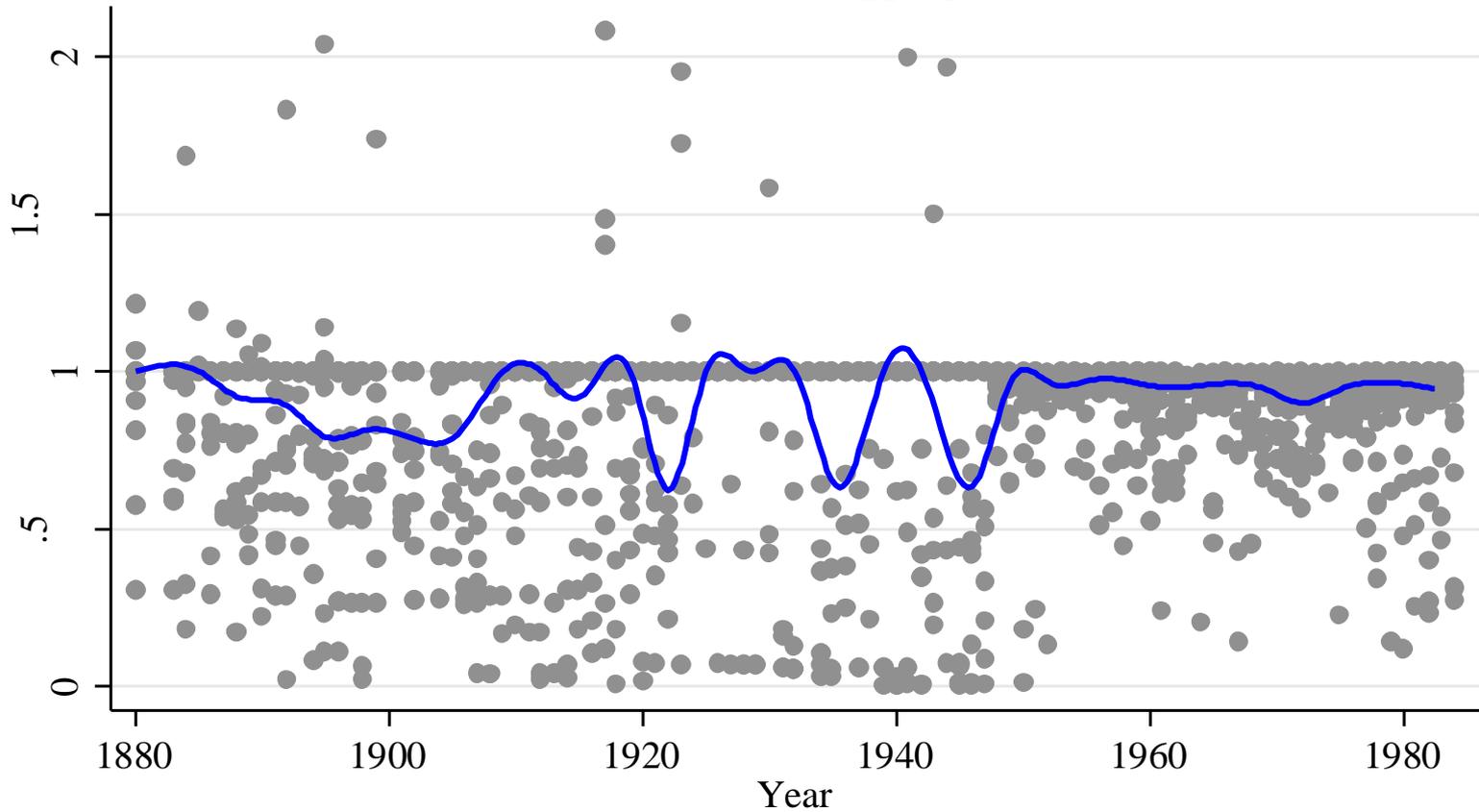
## On bills with Bicameral Disagreement



N=1166

# Chamber Leverage: U.S. Appropriations 1880-1984

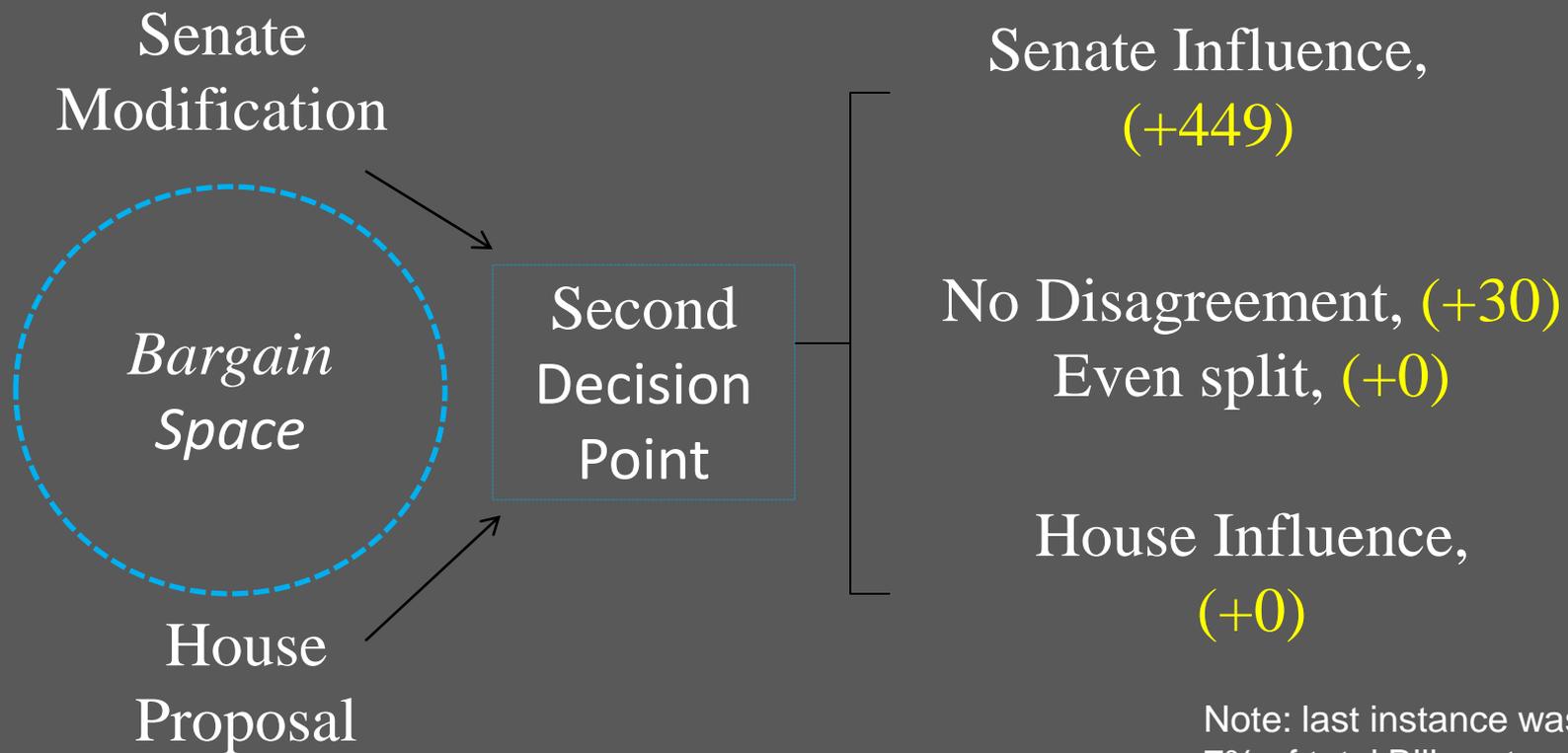
Including All Enacted Appropriation Bills



● Observations of Chamber Leverage      — Median spline

N=1166

# How Does Senate Leverage Fit Reality 1880-1984



Note: last instance was 1944 & 7% of total Bills extend beyond 2.

*Table 1: Estimated Senate Leverage from 1880-1984*

	ARCH Coef. (S.E.)	OLS Coef. (S.E.)
House Polarization	-0.25* (0.14)	-0.33* (0.19)
Senate Moderates	-0.18* (0.11)	-0.34* (0.15)
% Senate Majority	-0.19* (0.11)	-0.15 (0.14)
House Special Rule	-0.03 (0.02)	-0.4* (0.02)
Days Left	-	-
U.S. Debt, in billions	-0.0001* (0.00001)	0.00004* (0.00002)
Workload	-0.04* (0.01)	-0.03* (0.02)
Constant	1.11 (0.16)	1.24 (0.21)
Arch (lag 1)	0.26* (0.06)	
Arch (lag 2)	0.34* (0.06)	
Arch (lag 3)	0.04 (0.04)	
Constant	0.04 (0.004)	
N	1166	1166
Wald $\chi^2$ (7)	81.89	R <sup>2</sup> = 0.05
Prob > $\chi^2$	< 0.01	
Log pseudo likelihood	-202.22	

# Incremental Changes have had a Dynamic Effect

- Clearly I need to code the dates of the legislation for the remaining years
- Reconcile chamber differences is a volatile process to model within each Congress.
- If we are interested in the size of the effect, it may be worthwhile to consider a selection equation.
  - Because “no change” by the Senate should not infer dominant leverage by the House.

# What is the Value of this Study?

- Using an exogenous and continuous measure of chamber leverage.
  - When possible, such a measure should provide stronger inferences of policy outcomes than coalition size.
- Emerging Research is focusing on the strategies of the minority as a trigger for majority activity.
  - Krehbiel and Wiseman n.d.; King, Orlando, and Rohde 2012