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THE IMPACT OF INTEREST GROUP SUPPORT ON THE APPROPRIATION PROCESS IN CONGRESS

by

J. K. van Lohuizen

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE

DOCTOR OF PHILOSOPHY

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HOUSTON, TEXAS

MARCH 1979
ABSTRACT

This thesis attempts to quantitatively estimate the impact interest groups have on the appropriation process. The viability of this effort is predicated on a limited approach. Impact can only be estimated by limiting the area of public policy and the institutional arena in which policy is made. In this thesis the area is limited to budgeting, thereby facilitating the gathering of observations and the definition of measures of impact. The institutional arena is specified as the House Appropriations Committee which acts according to a well documented and regularized set of role behaviors, including interaction with interest groups.

The data are gathered from the hearings of the House Appropriations Committee on the budgets of Fiscal Years 1974, 1975, and 1976. The measures collected are simple counts of the numbers of interest groups, individual petitioners, and Members of Congress appearing to testify for agencies and bureaus in the Federal Government. In addition a measure of the intensity of support from witnesses for each agency is devised. Measures of impact are constructed by calculating rates of growth and success in each agency's budget as reflected in the House Appropriations Committee's recommendations to the House. In addition similar data on testimony and impact are collected for individual projects in the budget of the Army Corps of Engineers.

The data support only a limited number of relationships. Budgetary growth rates for agencies are not affected by any of the measures of support. In addition the intensity measure does not show any effect on the budgetary success rate. The success rate is
increased by interest group support for agencies that are under the jurisdiction of a number of subcommittees of the House Appropriations Committee. The effect is only observable when data are averaged over the entire three year period.

Results from an analysis of the Army Corps of Engineers data yielded nonsignificant results. Only after aggregating the data by state, to examine the testimony of state delegations, were positive results evident. No direct link between the testimony of groups and the budgetary outcomes of individual projects or items could be established. When aggregating data by state the results indicated an impact of both groups and individual petitioners on the success of a project which was about equal in size. As in the case of entire agencies, Congressmen were found not to affect decision making of the House Appropriations Committee on projects for the Army Corps of Engineers.
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Chapter I.

The study of interest groups has a long and venerable tradition in the political science literature. From its earliest origins the study of groups has been concerned with the goal oriented behavior of groups. Scholarly work centered on the assumption that groups could be analyzed in terms of their goals and the methods used to achieve them. A variety of perspectives has been employed to study the attempts of interest groups to affect public policy.¹ Concern with the activities of interest groups in the policy making arena has in fact been substantiated in attempts to regulate interest group behavior by law. The power of interest groups was seen to be so real that their activities needed to be brought under some sort of control, mainly through exposure to the public.² In spite of this concentration on interest groups as goal oriented very little systematic evidence about the effect of interest group activities has been gathered. Estimates of the impact of interest group activities on the formulation of public policy in other than qualitative terms are for all practical purposes unknown. According to James Q. Wilson:

"The plain fact is that no well-supported and comprehensive rendering of accounts about the impact of organizations on public policy is as yet possible."

In posing the problem Wilson also suggests a possible cause for this state of affairs. He argues that the impact of organized groups on policy making may depend on the nature of the policy issues and the institutional setting in which policy making takes place.

Indeed one of the most important reasons that the effect groups have on government decision making is unknown is probably the blanket
form in which the problem is usually formulated: estimating the impact of 'groups' on 'public policy'. In this form the question may very well be unanswerable. Strong evidence presented by Bauer, Pool and Dexter indicates that not only the impact but also the goals of pressure groups may be affected by the institutional arena in which policy is made and by the behavior of other actors affecting policy decision making.4 Similarly Lowi argues that the role interest groups play in public policy making is related to the substantive nature of the policy questions that concerns these groups.5 In other words, estimates of the power or impact of interest groups on policy cannot be made without specifying the effects of both policy area and institutional context.

The concern of this dissertation is exactly such a limited approach to the question of impact. An attempt is made to assess the effect of the testimony of interest groups on decision making on appropriations bills. The arena is specific. The institutions involved in writing appropriations bills are well-defined and engage in highly regular and routinized behavior. Not only is the appropriations process formally well-defined in terms of which institutions initiate, legitimize and execute policy, the process has also been well-defined informally in terms of sets of roles of the actors involved.6 Moreover, budgeting is a non-trivial area of policy making. Budgetary decision making, the power over the purse-strings, is considered to be one of the most important independent sources of power that Congress has over the executive.7

Other problems that have impeded the assessment of the effectiveness of interest group activities are more methodological in nature. The diversity of events in which interest groups are involved creates
two types of problems. In the first place the activities which interest groups engage in are very irregular. Systematic observations about the effect of their behavior are therefore extremely hard to obtain. Second, and partly related to the problems of institutional arena and substantive area mentioned earlier, is the problem of specifying the goals of interest groups. What interest groups attempt to do will depend on what other actors or coalitions of actors try to do, and what their strategic premises are. In some cases the interest groups will ally themselves with executive agencies and attempt to pass a law. In other cases a group will be a sole opponent and can at most try to moderate the impact of a decision. In short the goals of pressure group activities are not constant, and when goals are variable comparing the impact of group activities becomes a problem.

A concentration on the appropriations process facilitates a solution to these problems. Budgets are made annually, affording the observer with regularly recurring events, solving the problem of systematic observations. Moreover, decisions in budgeting are concerned with the allocation of funds. The decision rules and the strategic behavior of the participants in the budgetary process including interest groups tend to favor or oppose the expenditure of money. The goal of pressure group activity is uniform: to affect the allocation of resources through budgeting.  

One more specification must be made. In order to answer whether interest groups make a difference one must try to indicate how they try to make a difference. Pressure groups employ a number of tools, from threats to withhold support, various kinds of inducements and letter writing campaigns to personal contact with decision makers and informal
communications. All these techniques have the problem that they are not easily observable. For this research hearings of the subcommittees of the House Appropriations Committee were scrutinized. These hearings are published and readily accessible. Moreover, hearings are a highly affordable means of contacting officials, available to anyone who can buy a plane ticket to Washington. Consequently the array of groups appearing is very wide indeed. Studying any other form of pressure group behavior might exclude a number of groups from observation.

The study of pressure groups on the budgetary process with specific emphasis on congressional decision making relates a number of fairly discrete areas of literature. An extensive, although not universally useful literature on interest groups is available. Budgeting has a well-defined tradition of research dating back to Wildavsky's book on the politics of the budgetary process.9 Within the field of political science a number of studies predate Wildavsky's work. Also, an important area of literature that is concerned with rational approaches to budgeting is not based on Wildavksy's book. Most current studies of budgeting in the field of political science use the analytical framework established by Wildavsky as a point of departure, however. The current analysis is no exception. Specific work on budgetary decision making in Congress has been done by Fenno.10 The rest of this chapter will briefly survey the literature on interest groups, while Chapter II will present a survey of the literature on budgeting. A third chapter will be concerned with the formulation of hypotheses specifying the effect of interest group activities on budgetary decision making. Chapter IV will describe our data collection procedures,
while Chapters V and VI will discuss the empirical results. A conclusion and discussion will follow in Chapter VII.

The Literature on Interest Groups:

The assumption that interest group activities should be analyzed in terms of goal oriented behavior is so basic to many authors that they define interest groups in terms of this assumption. Eckstein for instance describes pressure groups as latent groups that were mobilized into politics because they were affected by government policy. The purpose of a pressure group is to defend or promote the interests of the latent group in politics. Zeigler and Peak define interest groups as organized social aggregates which try to obtain goods through the political process which these groups are incapable of providing for themselves.

The assumption of self interested behavior is also central to perhaps the best known book on group behavior, Truman's *The Governmental Process*. Truman argues that a group's formation is a result of threats to the group's position in society as a result of social change. Groups will tend to organize politically in order to maintain the position of their members vis-a-vis other groups. In other words, processes of social change will tend to bring together individuals with shared attitudes that organize to defend or advance the group's interests.

That group behavior is self interested, especially with respect to influencing Congress, is so self evident that making the statement explicitly seems almost redundant. A number of authors have recently attacked this position as inadequate, however. Perhaps the most
powerful case made against assuming that organizations should be analyzed in terms of goal oriented behavior has been made by Olson.\textsuperscript{14} Olson's analysis starts with the assumption that individuals behave rationally, and argues that rational individuals would not join interest groups if they were solely goal oriented organizations. If an interest group were to be successful in its activities and secure some good through the political process, then any individual sharing in the interest will benefit from the group's success; since all individuals sharing in the group's interest benefit from the success of the group's organization, no single individual will have any reason to join the group's organization and to contribute to its resources. Unless an interest group has some way of constraining or compelling its potential membership or is supported through philanthropy, the group cannot be successfully organized by appealing to the self interest of potential members. An interest group will have to provide members with some benefits that can be denied to nonmembers in order to survive as an organization.

One crucial limitation to Olson's work is that his analysis is restricted to so-called collective goods. These are goods such that when provided to anyone, their consumption cannot be denied to anyone else in the set of individuals affected. The basis of the problem for interest groups is that in trying to provide a good to its membership the organization cannot prevent the consumption of the good by relevant nonmembers. The problem is generally referred to as the 'free rider' problem.

Olson's work has a claim to some empirical support. Browne, using interviews with both members and staff personnel of interest groups,
argues that noncollective benefits provided by the group's organization are a more important reason for joining than collective goods.\textsuperscript{15} Burgess and Robinson, using data from a controlled experiment where subjects engaged in coalition formation, conclude that: "...voluntary associations that supplement collective benefits with private benefits are more cohesive and effective than those that produce only private benefits."\textsuperscript{16} Marsh, however, using survey data of members of the confederation of British industry finds that the predominant reason for joining of most member firms was the provision of collective benefits."\textsuperscript{17} Marsh also points out that Olson's use of the collective goods concept creates a problem. According to Marsh what is a collective good for some members or potential members may be a collective bad for a different section of potential or actual membership of a group.

More serious problems arise when the concept of collective goods is applied to actual decision making. Whether a particular good is collective or not is a matter of choice in many cases. Medical care for instance could be considered a collective good in Great Britain but not in the United States. Whether any good is collective in nature can be an interest group goal as much as a given.\textsuperscript{18} Second, any decision on a collective good may involve considerations involving private goods. Decisions affecting national security for instance may hinge on considerations involving who gets which supply contract. In choosing between competing weapons systems the maintenance of a viable defense industry can be an important consideration. Sometimes a contract is awarded because the firm would be in serious economic trouble without the contract. In other words, group involvement in government
decision making may be motivated by both collective and noncollective benefits since a decision can involve both aspects simultaneously.

Although collective goods as a concept are not unambiguous and although government decisions in many cases involve private goods Olson is clearly right in pointing out that a concentration on goal directed behavior in terms of interests alone is inadequate. A number of authors have followed Olson and argue that organizational behavior may be directed towards a number of goals. These authors argue that apart from securing goods through political activity interest groups concentrate on internal organizational goals.

"One reasonable conclusion [...] would be that organized groups do not gain their principal significance from their political input activities and that consequently an input orientation may lead to some misunderstanding of the nature of such organizations." Especially Wilson and Browne take the point of view that interest groups should be viewed as organizations which must fulfill certain maintenance functions. From the point of view of an organization sheer survival of the organization itself is seen to be more important than providing the organization's clientele with goods obtained through political input activities. To any group the main task is to obtain resources and to retain membership in order to maintain the group's organization. A number of incentives have to be provided to induce the membership to join and to keep contributing to the organization. Benefits obtained through political activity are only one of a wide array of incentives an organization provides.

Salisbury's concept of organizational entrepreneurship is a convenient model to clarify the problems of organizational maintenance. According to Salisbury the provision of benefits and securing
organizational resources should be considered in an exchange relationship. An organizational entrepreneur invests capital goods in the provision of benefits. A potential membership responds (or does not respond) to the benefits offered by the organizational entrepreneur by joining and contributing resources to the organization. Entrepreneurship is rewarded by the return of goods, incentives or other rewards (e.g., positions of leadership). If the exchange fails in any way the organization will collapse.

Three types of incentives are generally distinguished: expressive, solidarity and material. Material benefits are simply tangible rewards, such as goods obtained through political activity, technical or other kinds of information, services, journals, etc., etc. Solidary rewards are intrinsic to the individual, a consequence of participating in organizational activities rather than the outcomes of those activities. Expressive rewards are derived from the realization of the groups organizational goals as opposed to the goals of individual members.

The type of rewards provided is hypothesized to affect the character of the organization. Organizations based on expressive incentives do not require a great investment of resources to get started. On the other hand they tend to be transient. If a group does not achieve its goals the incentives will not be forthcoming and the organization will tend to falter. A prototypical example of an expressive organization would be ideological organizations. Among interest groups obvious examples would be protest groups. Their purpose is usually issue specific and their life span tends to be short.
Solidary rewards are typically derived from the acts of organizing and being active within an organization. Most benefits will occur in group settings. Solidary groups will tend to be good at meetings but bad at individually oriented tasks such as canvassing. Since rewards will be in meeting rather than in resolving issues discipline will tend to be low, especially since any attempt at sanctioning members will probably lead to their leaving the group. Consequently the chances that such a group will be capable of concerted action will be low. An example of a solidary group outside the realm of politics would be a fraternity. A more political example would be the nonprofessional political organizations described by Wilson.²³

Material incentives will lead to a more stable organizational form than the other two types of incentives. Tangible benefits form a more lasting basis of exchange for membership than do solidary or expressive incentives. Industrial firms would be typical examples of organizations based on material exchanges. Both Wilson and Salisbury argue that groups based on expressive or solidary incentives will tend to mix in material incentives in order to enhance the life span of the group's organization.²⁴ A direct consequence of offering material incentives is that the concern of the membership over the achievement of organizational goals will be reduced. To the extent that the benefits offered are not the goods obtained through political activity, the membership of the group will care less about the organizations political goals. Well known examples of political organizations based on material incentives are political machines.²⁵
Salisbury takes an extreme point of view on the relation between membership and the organizational goals. He argues that the opportunity to lobby in the name of an interest group should be considered as a reward for the leadership of an organization. The act of lobbying in itself can be viewed as a return on the entrepreneur's investment. According to this line of reasoning the goals pursued by the organization are more characteristic of the wishes of the leadership of an organization than of the preferences of their members. In short, lobbying is more a by-product of group organizations than the core of an interest group's goals and activities.26

Empirical support for these theories is again very thin. Wilson, whose interest is in political organizations more generally, spells out the consequences of differences in incentive structure for the organizational aspects of political parties and how party behavior is affected by the differences.27 His use of the theory with respect to interest groups is more illustrative than oriented towards a systematic test of his statements. Browne in an intensive study of four urban leagues reports that members of these leagues and the leagues' professional staff both believe that the lobbying activities of their organizations are not the primary reason for membership.28 Most important to the members are the services provided by the staff. The staff provides members with a great deal of information and problem solving skills. The most important function of the staff is as a service bureau to the members.

Browne does not agree, however, that the organizational membership is left free to develop and pursue its own lobbying goals. In the
first place, members do place a high value on the organization's lobbying activities. Although the services made available by the organization are rated higher in importance, the lobbying activities of the organization are also highly valued. Second, organizations simply cannot afford to pursue goals independently. The products of successful lobbying are incentives in themselves that the organization cannot disregard. A pressure group simply cannot afford to lobby for goals that their membership does not value. Moreover, the scarcity of resources is an ever present factor that needs to be taken into account. The scarcity of resources in an organization makes for very strong functional interdependence in the organization: separate lobbying functions independent of the membership are very unlikely since all organizational activity, including lobbying, has to be oriented towards organizational survival.

A number of authors have stressed the scarcity of resources of interest groups. Bauer, Pool and Dexter report that the groups in their study were generally underfinanced and poorly organized. They found that the staff of lobbying groups was mostly mediocre in quality. They concluded that the scarcity of resources was directly related to the behavior of groups in their relationships with Congress. Rather than spending most of their time trying to contact members of Congress the main preoccupation of interest group personnel was to find and keep supporters. Similarly Milbrath stresses that the resources available to lobbyists are extremely limited. A major part of the workload of a professional lobbyist is to secure sufficient funding from supporters to allow him to work.
Given the scarcity of resources of most organizations one would expect to find differences in the efforts of groups to affect governmental decision making between organizations. Lobbying Congress or the administrative branch requires some minimum level of financial expenditures. Given the different incentive structures of each organization one would expect that not each type of organization is equally likely to be willing to expend the required amounts of resources on attempts to influence government. Groups characterized by material incentives would appear most likely to do so. These groups have a reservoir of resources from which lobbying activities could be funded. Moreover, as Browne has shown, lobbying is important to groups. Solidary groups would appear least likely to support a lobbying effort. Since the main reward is to be a participant in the group's activities, such groups would seem least likely to sacrifice funds for lobbying purposes. Expressive groups are likely to take an intermediate position. Funds for lobbying will not be as easily available as in material incentive groups. On the other hand, membership in these groups is motivated by a goal orientation. Consequently the likelihood that funds would be made available for lobbying which might achieve the group's goals is higher than in solidary groups. Lobbying is as important to expressive groups as to material incentive groups. But the lower degree of institutionalization of these groups makes the availability of funds lower than in material incentive groups.

For our purposes, relating these theories to the behavior of groups in Congressional decision making on appropriations, some important inferences can be made. In the first place the groups that will
be appearing at hearings of the House Appropriations Committee will predominantly tend to be expressive and material benefits groups. Second and directly related is the conclusion that these groups will appear in order to pursue organizational goals supported by their membership. To some such a conclusion may seem too obvious to be worth stating. However, as was seen earlier, analyses of groups in terms of their goals has been criticised as an oversimplification. With the evidence presented by Browne, however, one can assume that goal attainment though lobbying is directly related to the goals of the membership of the group. Especially when considering that success in achieving these goals would serve as an incentive for intra-organizational purposes one can reasonably conclude that in most cases lobbying is not a by-product of other organizational activity but an integral part of the organization.

Another consequence might be the effect organizational success has on future behavior of the organization. One might hypothesize that lack of success would threaten the organizational life of expressive groups more than of material incentive groups. Expressive groups depend on goal achievement as the most important incentive. For material incentive groups the benefits derived from political activities will not be the only kind of incentive supplied. Therefore one would expect that expressive groups would be more affected if their political activities do not lead to results.

If groups are successful similar consequences can be spelled out. Material benefits groups will be strengthened. The organization of an interest group will be maintained as a consequence of the goods
delivered to the membership. The same incentives can be used on the same membership to pursue similar goods in the future. Expressive groups may also be strengthened by success, but once a goal is achieved the organization's life is threatened unless it can find new goals. Success may lead some members to leave since the purposes for which they joined have been achieved. In order to maintain itself the organization must find new goals to mobilize its membership or switch to an alternative incentive structure.

Modes of Influence:

Establishing that pressure groups are concerned with policy goals is not very informative if one cannot also show how pressure groups try to affect government decisions. Clearly an inquiry is needed into the kind of political activities groups engage in in pursuit of their goals. What are the tools pressure groups use in the political world? A large repertoire of techniques is suggested by the literature, from large scale campaigns to influence voting behavior to face to face contacts with decision makers.

Attempts to influence legislators through electoral mechanisms typically involve mobilization of a group's membership in favor of sponsored candidates, or financial contributions to candidates favoring the group's position. Sometimes an interest group is informally represented on a decision making body. Other tools are the more traditional forms of lobbying, including face to face contacts, organizing social affairs, letter writing campaigns, public opinion campaigns or hiring professional spokesmen representing the group in Washington. Finally
occasions to give a formal presentation of the group's point of view are given by the hearings of Congressional committees.

Which particular route is chosen is a decision that is probably determined mostly by considerations of cost and success. Few groups will be able to organize wholesale lobbying campaigns with hired personnel, paid advertisements, etc. On the other hand a simple letter to a Member of Congress may have such a low probability of success that most groups will not consider letters a sufficient effort. Usually a good approach will cover a number of possible routes. Few groups can afford to cover all possible means, however.\(^{32}\)

Second, how a group tries to influence governmental decision making will depend on the particular decision that the group is trying to affect. Not all strategies will offer an equal chance of success in all cases. Essentially a group will have to adapt to the norms and strategic premises of the decision makers involved in the decision the group is trying to affect. Fenno argues that different committees in Congress have very different orientations towards pressure groups and maintain different conceptions of the proper role of group influence. Similarly there are differences between House and Senate in the orientation each maintains towards pressure groups.\(^{33}\) As a consequence some Members of Congress may be more receptive to constituency based letter writing campaigns, while with other Members low-key technical information may do more for the case of a pressure group.

Gamson separates the means of influencing decision makers into two types. He distinguishes attempts at influencing according to whether a pressure group tries to change the intentions of the decision
makers or whether circumstances surrounding a decision maker are changed. The former type he calls persuasion, while the latter consist of constraints and inducements. Constraints and inducements are distinguished by the nature of the incentives a group uses to alter the decision maker's situation. An inducement adds advantages while a constraint introduces disadvantages for the decision maker. Affecting the decision maker's situation does not necessarily mean that rewards are offered or threats are made to the decision maker personally, although such threats and rewards are included in this category. Constraints and inducements can also imply such tools as sit-ins, boycotts, walkouts, slowdowns or promises of future cooperation, exchange of experts or technical information.

For our purposes the means used by groups to influence Congressional decision making can be classified in three different categories: pressure, support and information. These classes can be considered as models of the process of interaction between groups and decision makers. Each model constitutes a representation of what happens when groups attempt to influence decision makers. The models can also be considered as hypotheses. In a limited sense they are descriptions of alternative courses of action interest groups can choose. Groups will usually not behave according to all three models at the same time. Exerting pressure on a decision maker and at the same time exchanging technical information with, although imaginable does not seem likely. On the other hand no claim is made that one of the models is false. Groups engage in all three kinds of behavior. The argument is presented here that not all interest groups engage in all three forms of
behavior at the same time. Moreover, as was argued earlier, different models may be more appropriate in different areas of decision making. Not every decision maker will be equally receptive to different types of interest group behavior.

The exertion of pressure is the most familiar form of interest group behavior. Common descriptions of "pressure" groups usually invoke images of lobbyists handing out fur coats and diamond rings. Congressional investigations of lobbying scandals have a long tradition. The emphasis of laws regulating lobbying is on the disclosure of financial expenditures and the sources of the lobbyists' income, probably as a result of this view of lobbying. The image of lobbyists "...handsomely paid for the purpose of visiting Members [of Congress] and attempting to persuade, cajole or otherwise pressure them..." is certainly not an unfamiliar one.

How common these practices are is highly debatable, however. McConnell, studying four famous lobbying scandals, notes that Congressional investigations of these scandals usually showed that very little harm had actually been done.

Other forms of real pressure do take place, however. Pressure groups approach Congressional representatives on an exchange basis. They approach Members of Congress with specific inducements or threats contingent on the Member's behavior. Several of these inducements have already been mentioned: campaign support or withdrawal for or against a particular candidate, or invitation to deliver speeches for a fee, the provision of services like usage of planes, office space, secretaries, mailing lists, etc.
Both the extent and the effectiveness of these activities can be questioned. All of these devices demand considerable amounts of resources which are scarce for most groups. Undoubtedly groups like the American Medical Association or C.O.P.E., the political organization of the A.F.L. - C.I.O. have considerable amounts of funds reserved for such activities. The point is that these examples are more exceptions than a rule among interest groups. Most organizations simply do not have the resources that would be required at their disposal. Especially if supporting or threatening one or a few Members of Congress will not be enough to guarantee success most groups will not be able to support pressure campaigns on the scale required.

Even if they can afford to pressure Members of Congress, success for pressure groups is not guaranteed. Again, only in exceptional cases can an interest group implement a threat or promise to mobilize its membership. Most interest groups are too marginal to the consciousness of most voters to have any impact at all when they make their choice in the voting booth. Although some organizations such as the A.F.L. - C.I.O. and the National Rifle Association make considerable claims about their electoral impact, the best they can probably do is to highlight some issues and to give exposure to candidates that otherwise would not have gotten the attention. Moreover, most organizations are small in membership, and one should doubt that they could affect the vote of non-members.

A similar case can be made for financial contributions. At best what a group can hope for is access to the representative receiving support. No contributions will guarantee a favorable vote. A
receptive audience for the group's arguments is all any contributor can expect. The most important reason is probably that any Member of Congress owes so many favors to others that he could not possibly act on all of them. Moreover, most Members probably have access to alternative sources of funding. Threats have the added disadvantage that they are very likely to create resentment, thereby increasing the cost of future influence attempts.

Most students of interest groups agree that pressure as a mode of influencing should not be overestimated. In other words: "'Pressure groups' rarely 'press'". Both because costs are high and because the likelihood of success is low, few pressure groups will use pressure as a strategy on a regular basis. Groups are more likely to conserve their resources. Only when exceptional circumstances require a very strong effort of a group will that group be willing to expend the necessary resources for a pressure campaign.

Support as a mode of exerting influence is probably more common than pressure. Where pressure attempts to induce Members of Congress to behave in a way they might otherwise not have behaved in, influence through support concentrates on decision makers that are already favorably disposed. Bauer et al., in their study of interest groups active in foreign trade legislation noted that group representatives hardly ever attempted to contact hostile or even neutral Congressional representatives. Group representatives concentrated on those Members of Congress that were known to favor the points of view of the interest group. Instead of pressuring, these group representatives performed services for the Members that they were trying to influence. By making
themselves auxiliaries to the Congressmen and aiding them in their legislative battles group representatives hoped to have Congressmen on their side. After all Members of Congress can exert pressure on their own colleagues and sponsor interest in a more direct fashion than the representatives of pressure groups can. Moreover, the activities of a Congressman will be accepted as more legitimate than the influence attempts of pressure groups.

A number of authors have pointed out that interest group representatives should really be viewed as members of two distinct groups. Apart from being a member of the interest group that they represent, they also belong to an informal group including executive and congressional decision makers, journalists and the representatives of various other groups concerned with a particular area of policy: 44

"The representative, indeed can be thought of as a member of two organizations rather than one. The first is his constituent association; the second is that informal association of sympathetic legislators, administrators, staff assistants, and other representatives who maintain a standing interest in a certain policy area." 45

As a member of two separate sets of people the interest group representative is subjected to two sets of expectations, or, has to engage in two distinct forms of role behavior. As a group representative he is expected to advance the interest of his constituent group, As a member of the group of decision makers and other people concerned with a policy area the group representative performs the kind of support functions described earlier.

Support in a different sense than strictly giving aid to Members of Congress is expressed by groups when they ally themselves with a
coalition of other policy makers in a particular area. Rather than performing specific services, interest groups attempt to organize communications, develop alternative choices for policy makers and try to ally themselves with actors holding views agreeing with those of the group itself. Interest groups themselves form a part of the political situation in which decision making takes place. The presence or absence of opposing and allied interest groups may affect the outcome of a certain decision. As Key points out, many groups lobby each other for support and cooperation. Groups may form ad hoc coalitions or more permanent arrangements in specific areas. 46

The contacts interest group representatives make can develop into lasting relationships. Mutually beneficial ties between groups and Members of Congress or groups and bureaucratic decision makers can develop into symbiotic relationships producing positive benefits for all actors involved. Freeman describes tripartite subsystems of government relating specific agencies with pressure groups and Congressional committees. 47 According to Freeman most questions of government policy are resolved in subgovernments involving these three participants. Unless issues escalate to a national debate most decision making on policy is delegated by the major political actors -- Congress, the President and the major parties -- to these policy subsystems. The major political actors concern themselves with more general issues important to a national public. The policy subsystems can engage in more specialized policy making, resolving issues on a more specific level that the major political actors do not usually deal with. Constraints of time and information do not allow the major actors to make
policy on a very specific level very much of the time. The need for specialization in both Congress and the executive branch combines with a large diversity of interests to produce a plural pattern of power where policy is made in independent subsystems. The dispersed nature of policy decision making is facilitated by the decentralized framework of government. The structure of both the bureaucracy and of Congress are amenable to the development of direct ties between Congressional committees and bureaucratic agencies.

Interest groups tend to ally themselves with or appeal to either bureaus or Congressional committees. Depending on the policy views of these bodies interest groups choose to associate themselves with the decision maker most favorable to their interests and lend them support. Bureau leaders will appeal to interest groups in order to convince Members of Congressional committees that their proposed programs are widely supported. The amount of public support for a particular measure is an important consideration to committee members, and interest groups testify to indicate a favorable public reaction to bureau proposals. Members of Congressional committees use the positions of interest groups to support their own positions. The views and information of relevant groups serve as ammunition for legislative battles in committees and elsewhere in Congress.

A similar view specifically focusing on government bureaus has been developed by Rourke.43 Rourke argues that bureaus depend on public support as their most important resource for influencing public policy. When an agency's policy proposals receive widespread public support the agency will generally be successful in gaining Presidential
and Congressional approval. Therefore agency leaders attach very high value to generating public support for the agency's programs. Public support can be derived from both the general public and from specific clientele publics. If public opinion favors an agency's programs a skillful agency executive can use this support as a resource in his dealings with other decision makers. Public opinion tends to change rapidly, however, and the public's attention span is too short for general political support to be a reliable and lasting source of agency influence. The leadership of an agency will therefore carefully cultivate support from clientele groups that are more directly dependent on the agency through tangible benefits. Support from among executive superiors and Members of Congress is also extremely important to an agency. Although an agency will carefully develop such contacts they are not as easily mobilized as a well organized clientele group having a material stake in the agency's policies. 49

In describing relationships within the substructures of government Freeman emphasizes that decision making is not characterized by the raw exertion of influence but by prior consultation, mutual accommodation and the anticipation of the desires of the other participants. Relationships between these actors are characterized by a great deal of informal interpersonal contact and by the existence of routinized channels of interaction. These conditions are necessary for the smooth functioning of the subsystem. Since all three types of actors are both dependent on each other and have some type of influence over each other the avoidance of conflict is at a premium. Relationships within
a subsystem can be both very enduring and highly stable if there is no
great deal of conflict. 30

A direct consequence of these kinds of relationships within a
subsystem is that interest groups can achieve positive government
action without high cost. Because of the consensual kinds of relation-
ships maintained other actors will incorporate interest group desires
to the extent required to gain the kinds of support interest groups
are looking for. Interest groups achieve their goals at least in part
without having to resort to pressure mechanisms with the consequent
demands on their resources, not to mention the risks of failure.

Clientele groups are highly valued by agencies as a reliable
long term source of support. Agencies that do not have natural
clientele groups, such as the United States Information Agency which
has a clientele abroad, sometimes try to create their own clientele.
The State Department, which does not produce any direct benefits to a
specific group, at several times tried to organize committees of dis-
tinguished citizens in order to generate support for the Department's
policy proposals. The Marshall Plan and efforts to generate support
for the Vietnam War through the Citizens Committee for Peace and Free-
dom in Vietnam are good examples. 31 An example from domestic politics
is the organization of the National Reclamation Association in 1932.
This association was founded largely through the efforts of the Bureau
of Reclamation, which at the time was threatened by unfavorable
actions from Congress. Leadership of the bureau was instrumental in
organizing the association in order to maintain itself against Congres-
sional attacks. 32
An agency's desire for the support from interest groups only goes so far. If the goal of an agency is to maintain an autonomous role in policy making, care should be taken that the agency also maintains autonomy from supporting clientele groups. Capture by a single strong interest group is as detrimental as congressional or executive threats to the agency's autonomy. An agency will therefore desire a clientele consisting of a number of groups which is sufficiently diverse in nature to allow the agency to play groups against each other. Other desirable properties of supporting groups from the agency's perspective are size, strategic location, geographical dispersion, cohesiveness and commitment. More cohesive and committed groups are more easily mobilized to come to an agency's support. Size and strategic location of the agency's members provide a larger impact of the agency's support.

The final model of the influence attempts of interest groups is through the provision of information. Some pressure groups possess information of a technical nature that is used as a resource in influencing policy. An organization's expertise in a certain area may simply be a scarce good. Legislators or executive officers will consult the group's experts on decisions to be made or policy to be developed. Invitations by governmental decision makers to give advice provide the group with the opportunity to participate in policy making at a very early stage. The group's expertise can then be used to shape alternative courses of action favoring the group's interests.

Although specialized information can be an important commodity for some interest groups the number of groups that can use information
as a resource in this way is probably very small. A more important
use of information available to almost any interest group derives from
the characteristics of decision making in Congress. The demands on
the attention of any Member of Congress are overwhelming. Representa-
tives need to make thousands and thousands of decisions annually.
Constraints on Members' time do not allow them to concentrate attention
on very much more than a small fraction of these decisions. For all
the other choices he needs to make a Congressional Representative is
forced to engage in some kind of simplifying procedures aiding him in
choosing between alternatives. Rather than extensively considering
and evaluating alternative courses of action and the implications of
each possible choice, a Member of Congress searches for condensed
information that indicates what the consequences of his choices are
in terms of constituency, party alignment and other factors relevant
to each Member. On the basis of this kind of information a Member
of Congress makes most of his choices. 53

Interest groups can provide an important service to legislators
in supplying them with this kind of information:

"A legislator is constantly in need of relevant
information. He is faced with a continuous series
of decisions to be made and about which, generally
he has only imperfect knowledge. Any decision he
makes is potentially harmful to his standing within
the legislature, his party and his constituency.
Groups that provide relevant information are there-
fore especially valuable to him in minimizing the
political costs involved in making decisions". 54

Policy makers are required to competently evaluate the merits of
various policy proposals. They should be able to present an informed
judgement on the advantages and disadvantages of the alternatives under
consideration. Since their opponents are probably going to present cohesive arguments for their side decision makers do not want to appear ill-informed themselves. Interest groups serve to aid Members of Congress in this respect. Groups will inform Members on what the alternatives are and how they fit into the Member's own preferences. The point is not that Representatives could not do their own research. Interest groups simply save a lot of time. Rather than wade through documents concerning new legislation for several hours a Representative can learn in a few minutes everything he needs to know from a well informed lobbyist. Empirical evidence indicates that Members of Congress place a high value on the provision of information by interest groups. A survey of Congressional Representatives' opinions on interest groups shows that the information function is valued more highly than any other aspect of interest group involvement in Congress. 55

Lobbyists are often viewed as brokers of information. Their function is to channel relevant information about governmental policies to their constituent groups and to provide information to decision makers on the interests of their constituent groups. Lobbyists channel information in both directions.56 For Members of Congress the importance of the information does not only arise from the professional expertise of a group representative. Admittedly the position of a group must be presented competently. Members of Congress will discount any evidence that is not up to date or ill-informed. The information provided by a group is often judged on the basis of the quality of the testimony given at other occasions by that group. Having a
monopoly of technical information can give a group strategic advantages, as was pointed out earlier. To Members of Congress the utility of most groups is in providing information that is politically relevant, however. Groups should enlighten Congressional Representatives on the array of forces favoring and opposing a particular proposal. A group can indicate to a Member what is or is not controversial and where opposition can be expected. By pointing out what the consequences are for their own membership or for other groups relevant to a Representative a lobbyist can sensitize a Congressman to the need to reconsider a choice, or assure him that his choice is right. Lobbyists recognize this need of Members of Congress and respond on such a bases. Lobbyists place high value on performing this function and provide Members of Congress with the kinds of information they need in the hope of currying favor for their own positions. In the long run providing a Congressman with information can provide a source of influence that is very valuable to their constituent groups.

Influencing through information will generally concentrate on Members of Congress that are already somewhat favorably disposed. More information will not convince Members that are not more or less receptive to the group's position in the first place. Empirical investigation of pressure group activities in Congress has shown that pressure groups did not try to persuade neutral or opposing Congressmen, but talked to Members they knew to be favorably disposed already.\textsuperscript{57}

This form of influencing corresponds to persuasion through partisan analysis. Congressmen are not converted to one side or the other
of a certain cause but are provided by the interest groups with the right arguments to defend a position they already held. Moreover, by providing Members of Congress with aid in their tasks as decision makers interest groups hope to generate a reservoir of favors that can be claimed in the future. At a minimum groups can hope to gain a favorable audience on new issues with Members they contacted earlier.

Conclusion:

This chapter has discussed some of the literature on interest group activities in the federal government. The first concern was to analyze theories of interest group behavior as a goal oriented activity. Traditional assumptions that interest groups can be analyzed in terms of their public policy goals have been attacked by a number of authors in recent years. According to these authors attainment of lobbying goals should not be viewed as the exclusive concern of interest groups, but as a by-product of other activities of group organizations. Our analysis concluded that there is a solid base to believe that lobbying can be viewed as an integral part of the activities of group organizations. An analysis of the incentives for joining organizations was combined with scarcity of resources, leading to the conclusion that providing political goods through representation constitutes, if not the only, an important part of the activities of organized groups.

A second section concentrated on the modes of interest group influencing. Three ways in which interest groups attempt to influence governmental decision making were analyzed: pressure, support and
information. The pressure perspective, although very common, was criticized as describing an exceptional more than a standard mode of interest group behavior. Not only the capacity of most groups to generate pressure, but also the effectiveness of pressure attempts were questioned. Both the support and the information models were developed by linking organizations representing groups with other political actors. The support perspective related groups to the interaction between executive agencies and Congressional committees. The information perspective analyzed the impact of groups in terms of the constraints on and the needs of Members of Congress viewed as decision makers.


8. Some decision making of the House Appropriations Committee is concerned with problems that affect the allocation of funds indirectly. The Committee can for instance request that certain reports be written. In other cases the Committee can decide how certain policies should be made by the executive, rather than establish an amount of spending for that policy area. (See: Michael W. Kirst, Government Without Passing Laws. Chapel Hill: The University of North Carolina Press. 1969.) The Committee also tends to be concerned with efficiency in administration, bureaucratic organization and reorganization of administrative offices.


18 Police protection is another good example of a governmental output that in theory is a collective good but that in fact has been selectively provided.


22 Salisbury, "An Exchange Theory of Interest Groups".


24 Ibid., Wilson, *Political Organizations*. 
The material incentives proposed are directly comparable to Etzioni's remunerative incentives. (See: Amitai Etzioni, Complex Organizations. New York: Free Press. Revised edition. 1975.) Etzioni's basic orientation is to examine organizations from the point of view of compliance by members of organizations to the directives of other members. Since our concern is mainly with voluntary organizations this vantage point is not very adaptable to our purposes. Etzioni's second type of incentive to comply, coercion, is not widely applicable in the area of interest groups, although elements of coercion might be recognized in some practices of labor unions and political machines. The third type of incentive discussed by Etzioni, normative incentives, is comparable to both solidary and purposive incentives. Especially solidary incentives resemble the social power perspective of Etzioni. Purposive incentives, reflecting goal oriented behavior, again cannot easily be fitted into the compliance perspective. Purposive incentives could probably be likened to Etzioni's "pure normative" category of normative incentives.

Salisbury, "An Exchange Theory of Interest Groups".

Wilson, Political Organizations.

Browne, "Organizational Maintenance".

Bauer, Pool and Dexter, American Business and Foreign Policy.


One could argue of course that a trip to Washington in itself is a reward to membership. People might be perfectly willing to fund a trip to Washington out of their own private funds in exchange for the honor or pleasure of representing the group. Some evidence exists that this does take place. Reading the hearings where outside witnesses testify in front of subcommittees of the House Appropriations Committee reveals that some group representatives bring their entire families along on these trips. Usually a group representative will make a point of introducing all the group members present at the hearing even if they will not address the Committee themselves.


35 Congressional Quarterly, *Legislators and the Lobbyists*.

36 Ibid.


40 Gamson, *Power and Discontent*. On the other hand, the possibility exists that Members of Congress will be motivated to avoid alienation of particular groups that might sponsor a competing candidate in future elections. At a minimum Members of Congress try not to offend groups willing to support politicians materially.


42 Wilson, *Political Organizations*.


45 Wilson, *Political Organizations*.


Rourke's view tends to put too much stress on the role of the bureau leaders as political entrepreneurs, neglecting the symbiotic aspects of the relationships between bureau leaders and interest groups. From Rourke's perspective the bureau leadership appears in a light that overemphasizes the manipulative sides of their behavior. Groups are not easily mobilized unless the group's interests coincide with the purposes for which they are being mobilized. A group's support is probably not obtained in any other way than on some exchange basis. If support is exchanged then a bureau's leadership is in a sense as open to the group's manipulation as the group's representatives are in the reverse case. Rourke only stresses the latter.

One direct consequence of this type of relationship for our work is that these relationships are mostly hidden from the public. Systematic data on the impact of interest groups on public policy making in general will therefore be extremely hard to obtain.

Ibid.

McConnell, Private Power and American Democracy. p 222.


Milbrath, The Washington Lobbyists. Dexter, How Organizations Are Represented in Washington. Bauer, Pool and Dexter, American Business and Public Policy. Dexter goes so far as to claim that the function of educating their own clientele is more important than that of influencing government decisions: "If we had some kind of measure of the cumulative effect of lobbying and Washington representation -- if we knew how to weigh precisely the question 'What difference does it all make?' -- we would find that the biggest effect of Washington representation has been not on Washington but on clients." Dexter, How Organizations Are Represented in Washington. p 158.

Ibid. p 65.

The Budgetary Process:

Contemporary work on budgeting in political science, both empirical and theoretical, is based on or an extension of the work of Wildavsky¹, Davis, Dempster and Wildavsky² and Fenno³. Their theoretical work, most often characterised as incrementalism, has defined both the research questions and the operational procedures for most research into the budgetary process during the last decade in the field of political science.

Wildavsky's main concern in *The Politics of the Budgetary Process* is to describe how decisions are made in complex situations. The budgetary process is long and complex; many different actors and institutions are involved, each attempting to optimize its own set of values. The budget of each agency undergoes a long process of revision. Each proposal is reviewed at a number of levels by several types of actors. After an agency has developed its first budget proposal, under guidelines from the Office of the Management of the Budget and its own departmental budgeting office, it is first reviewed by administrative superiors in its own department.⁴ Subsequently it is sent to the Office of the Management of the Budget, the agency charged with compiling the Federal Budget for presentation to Congress. In Congress it is subjected to the scrutiny of respectively: a sub-committee of the House Appropriations Committee, the full House Appropriations Committee, the floor of the House, a sub-committee of the Senate Appropriations Committee, the full Senate Appropriations Committee, the floor of the Senate and the House-Senate conference
Committee. After passing both House and Senate again in its final version an agency's budget is sent to the President for his signature. Wildavsky argues that repeating this entire process year after year is impossible without the introduction of some simplifying devices, or as he refers to them, "aids to calculation". A complete reevaluation of each agency's budget is not feasible and in many cases not necessary. Since many agencies carry out the same programs without changes, year after year, decisions concerning these programs can be allowed to stand for a number of years. A yearly reevaluation of past decisions is, barring unusual circumstances, not necessary. The different actors in the budgetary process will therefore develop certain simplifying procedures in order to deal with the budget more summarily. These procedures amount to generalized expectations of behavior, roles, making the budgetary process easier to handle for both the actors adopting the roles and the other participants in the process.

According to Wildavsky aids to calculation are drawn from experience. They are a reflection of organizational learning in the budgetary process, the cumulative experience of previous years. As such they simplify the budgetary process for the actors involved by providing them with simplified indicators. Aids to calculation have a simplifying effect in that they reduce the number of decisions that actors need to make. Rather than deciding on a large number of small allocations, decisions are made on aggregate levels. The problem of dealing with thousands and thousands of distinct items is thereby reduced to choices concerning larger sums of money.
The most important aids to calculation are the concepts of base and fair share. Base simply reflects the expectation among budgetary decision makers that current government programs will continue at a level close to that of the previous year. Current programs are expected to receive a certain level of expenditures that, barring any unusual circumstances, they should receive every year without a great deal of scrutiny. The base expectation is the sum of the standing decisions on an agency's standard programs. The base of a certain agency is a part of its fair share. The difference between base and fair share is the increase or decrease in an agency's base that is proportional to that of other government agencies. The fair share of an agency allows decision makers to concentrate on requests over and above the base. Scrutiny is shifted from the entire amount requested to that proportion of the request that is very much different from the year before. This shift in emphasis makes the budgetary process incremental, as the term was defined by Lindblom.\textsuperscript{7} According to him decision making on questions of public policy is usually characterized by a limited analysis of the problem at hand. To carry out the type of analysis required in fully rational decision making would be impossible because of constraints of time and resources. Various strategies are employed to aid decision making, one of which is incrementalism. Policy making is incremental in character when in deciding about a new policy the analysis of possible alternatives is not complete. The range of choices is limited to those that are only marginally different from current policy. New strategies reflect what is already known about the policy area. Those aspects of current policy that function
properly are maintained. Other aspects are changed only marginally. Budgeting reflects this strategy. Current policy is maintained as part of the base of an agency. The scrutiny of decision makers is concentrated on the difference between base and current request. The outcome of decision making will be closely related to what was decided in previous years. Radical departures from past budgets should be exceptional.

The roles of participants in the budgetary process revolve around the base of an agency. Agency representatives are expected to defend the base and to expand it by starting new programs whenever possible. Agencies therefore are expected to advocate increases. The role of the Office of the Management of the Budget is to incorporate the requests of the agency into the overall budget. Its task is to design a budget that reflects the economic and programmatic goals of the President. Usually this involves cutting the agency requests. The agencies expect this and know that the Office of the Management of the Budget cannot guarantee them a certain level of appropriations. The Office itself on the other hand realizes that if it cuts too deeply into what an agency considers its fair share it will lose credibility with the agency, causing it to make special appeals to Congress to have its cuts restored. The Office of the Management of the Budget has to strike a balance between these conflicting pressures.

Although the goals of the Congressional participants in the appropriations process are based on the needs of Congress as an institution, their treatment of agency requests again revolves around the agency's base. The main orientation of members of the House is to
maintain Congressional power by cutting budgets. The role of Congress in budgeting is highly valued among members. The most important ways of expressing their power is by reducing the requested amounts for most agencies. Representatives will cut Bureaus back to their base if the increase over last year's appropriations does not stand up to their scrutiny. The Senate generally performs the role of an appeals body. Agencies that can convincingly argue that cuts made in their requests were excessive tend to have their requests restored in part by the Senate.

A reformulation of some of Wildasvky's work is given in a series of articles by Davis, Dempster and Wildavsky. The major effort of their work is to represent the decision rules that agencies employ in deciding how much to ask from Congress and that Congress employs in deciding how much to allocate to each agency by simple mathematical equations. These equations reflect the incremental nature of the budgetary process and incorporate both the concept of the base of an agency and the role orientations of these actors in the budgetary process.

Specifically Davis et al. present three equations for agency decision making:

(1) \[ X_t = B_0 Y_{t-1} + E_t \]

where \( Y_t \) is the appropriation in year \( t \), \( X_t \) is the amount requested in year \( t \) and \( E_t \) is a random variate reflecting favorable or unfavorable circumstances in year \( t \), which is assumed to be normally distributed with \( E(E_t) = 0 \) and unknown but finite variance. This decision rule simply indicates that the amount requested is a fixed mean pro-
proportion of the previous year's appropriation.

\[ X_t = B_1 Y_{t-1} + B_2 (Y_{t-1} - X_{t-1}) + E_t \]

where \( B_2 \) is expected to be smaller than 0, reflecting the fact that the agency hopes to make up for the cut it received in the year before.

\[ X_t = B_3 X_{t-1} + E_t \]

In this decision rule previous decisions by Congress are completely disregarded by the agency since this year's request is entirely a function of the request in the year before, regardless of the appropriation in that year.

The three decision making models Davis et al. specify for Congress are:

\[ Y_t = A_0 X_t + E_t \]

indicating that Congress allocates to this agency a fixed proportion of its requests year after year.

\[ Y_t = A_1 X_t + A_2 E_{t-1} + E_t \]

Here Davis et al. hypothesize that Congress takes a certain amount of padding by the agency into account or that Congressional goals with respect to the agency are substantially different from those of the President leading to an unusually large cut or raise. After such a deviation from the usual rule Congress slowly reverts back to its normal behavior, following a first order Markov process (alternatively one could specify that \( Y_t = A_1 X_t + e_t \), where \( e_t = A_2 E_{t-1} + E_t \)).

\[ Y_t = A_3 X_t + A_4 L_t + E_t \]

where \( L_t \) incorporates Congressional anticipation of the agency's
decision rule: \( L_t = E_t \) for agency decision rules (1) and (3) and 
\( L_t = B_2(\hat{Z}_t - X_{t-1}) + E_t \) for decision rule (2) of the agencies.

Fitting these equations for most agencies concerned with domestic policy, Davis et al. report that for each agency one of the decision rules for agencies and one for Congress could be singled out as most appropriate. The empirical fit was generally very good although consistently higher for the Congressional equations than for the agency equations. Davis et al. also found, however, that in very many cases shifts in the decision rules occurred, as indicated by elbows in the curves, which were a result of either shifts to a different decision rule or a change in one of the coefficients.

Specific attention should be given to Davis et al.'s interpretation of the stochastic term in their equations. According to Davis et al. these terms reflect unique events affecting the budget of a particular agency at a single point in time. These events produce deviations from the normal process that can be treated as if they were random:

"We have indicated that although outside observers can view the effects of special circumstances as a random variable, anyone familiar with all the facts available to the decision makers at the time would be able to explain the special circumstances." 11

Implied in this approach is that an explanation of deviations should be sought through a case by case approach, which is indeed what the authors set out to do. Analyzing each outlier (where outliers are distinguished from shifts in the models) they found that they were concentrated in a small number of years characterized by strong political change, such as a change of President. These outliers
generally reflected a change in an agency's programs or the addition of new programs to an agency's base.

In a later paper Davis et al. tried to incorporate the events accounting for elbows and outliers in a more systematic fashion. They maintained their position that budgeting is basically incremental in nature but argue that changes in the normal state of affairs will disrupt the incremental pattern:

"Although basically incremental, the budget process does respond to the needs of the economy and society, but only after sufficient pressure has built up to cause the abrupt changes precipitated by these events."13

The types of outside influences that they try to incorporate are similar to some of those specified by Wildavsky, such as the partisanship of the House, the Senate and the President. They also specified some variables reflecting the state of the economy (recession, unemployment and such), of the social system (presence or absence of war, age distribution of the population) and what they call administrative factors (budget deficit of the previous year and the projected budget receipts ratio). In keeping with their case by case approach Davis et al. do not specify why they chose these particular variables. Moreover, the specification of the agencies affected by these factors is entirely inductive. Davis et al. found that inclusion of some variables did improve the empirical fit of some equations. No systematic pattern in the type of variables affecting budgeting was reported. The type of agency most often affected by these outside variables was found in the areas of agriculture, natural resources and general services. The authors presented no reasons why these particular
agencies should be affected. None of the variables are agency specific in the sense that they represent a property of the agencies. Apparently Davis et al. assume that properties of the agencies themselves do not affect budgeting in a significant way.

**Congress as an Arena of Appropriations Politics:**

An analysis of appropriations politics focused on Congressional decision makers is proved by Fenno. Specifically concentrating on the House Appropriations Committee, Fenno attempts to describe the roles and decision rules of representatives on that committee as a result of their personal goals and the environmental constraints of appropriations as a policy arena. The most important goal of members of the House Appropriations Committee is to acquire a position of power inside the House through membership on the committee. Committee members rate power in the House higher as a goal than members of other committees in Congress. The power of the purse is one of the most important resources of political influence available to Congress. As a consequence Representatives not on the House Appropriations Committee are willing to support a powerful committee in order to maintain Congressional power. On the other hand the committee should support other goals of Congress in pursuing substantive policy.

According to Fenno maintaining this power will lead members of Congress to hold a set of specific expectations concerning their objectives and the way these should be reached. The role of the House, and specifically the House Appropriations Committee is to fight increases and to maintain economy in government. On the other hand they are
expected to support worthwhile programs with an adequate amount of resources. This will lead them to cut agencies' budget requests back to their base if the proposed increases do not stand up to their scrutiny. The role of the Senate and its appropriations committee is that of an appeals body to House decisions. The Senate and especially the Senate Appropriations Committee concentrate on those cuts into the base or requested increases that each agency considers essential to its programs, generally restoring them in part. As Fenno points out some of these goals are contradictory, and which of these goals will predominate at any one time is not always clear. According to Fenno, at least in the time period studied by him, the orientation to cut budgets clearly constituted the main goal orientation.

Agencies recognized this predomination and expected their budgets to be cut in a majority of the cases. Again, agencies expected that their base would be left intact and that members of Congress would concentrate on the increases requested over the previous year. Fenno shows that the House did indeed cut in a majority of the requests presented to it (73.6%) and that in most cases the change amounted to less than 10% of the original request. Similarly, Fenno presents evidence illustrating the Senate's behavior as an appeals body to decisions made by earlier participants in the appropriations process.

A different view of the appropriations process emerges from data Fenno presents comparing the amount appropriated for a number of agencies with the appropriation of the year before, rather than the amount requested for the same year. It turns out that 69.2% of the agencies Fenno studied had a larger budget than in the previous year.
In spite of the yearly cuts that most agencies receive, most of them manage to maintain a positive growth rate. Fenno suggests that the conflict between the goal to cut and the goal to support programs is dealt with in this way.

Interestingly Fenno finds that the two measures of agency success in the appropriations process are totally uncorrelated. Agencies maintaining the highest growth rate are not more successful in avoiding budget cuts. According to Fenno this phenomenon reflects differences between agencies in the nature of their functions and the type of expenditures that they make. The agencies that are cut least often are those agencies that most closely fit the self image of the members of the House Appropriations Committee. They tend to be older agencies with well circumscribed tasks, that did not advocate new programs and had a staid conservative image. Most importantly, the nature and scope of their functions was not controversial and such that a cut in expenditures could easily be shown to lead to a decrease in services. Bureaus in the Treasury Department such as the Bureau of Narcotics, the Bureau of Customs and the Bureau of the Public Debt conform very closely to this image. The only three bureaus in the twelve most successful bureaus in Fenno's study that do not conform to this model were successful because of the popularity of these bureaus and their programs among the population. These agencies deliver their services directly and in cooperation with the people affected, as for example the Soil Conservation Services.

Success in terms of a high growth rate on the other hand should according to Fenno be attributed to changing needs and policy
directions in government more generally. Success in this respect is more a function of social demands than of the sympathy and desires of members of the Appropriations Committee. The Office of Education and the Public Health Service are examples of such agencies. Fenno also notes that these agencies tend to have well organized clienteles and tend to be engaged in research. Comparing the two measures of success Fenno suggests the hypothesis that a high growth rate should be attributed to factors external to House Appropriations Committee and that a high proportion of requests appropriated should be attributed to factors internal to that Committee.

Fenno also treats the effects of a number of variables that according to him produce yearly differences rather than differences per agency. Most important among these variables is the partisanship of Congress and the President. He shows that when Congress is dominated by Republicans a higher percentage tends to be cut of an agency's budget than under Democratic majorities. He also shows the effects that independent Presidential initiative can have in carrying out across the board cuts as shown by President Eisenhower's economy drives of 1957 and 1958. Finally Fenno argues that moods of spending or economy can be detected in public opinion and that these will affect Congressional behavior.

Although the Senate behaves quite differently from the House in the appropriations process, Fenno argues that with respect to the external variables treated by him the Senate's behavior is very similar to that of the House. With one exception which is explained by differences in the constituencies of the members of the House and
Senate Appropriations Committees, the Senate favors the same agencies for the same reasons as the House does. As a result of its role as an appeals body Fenno argues that differences in degree rather than in kind occur in the behavior of House and Senate. For one thing, the Senate gives the largest increases to those agencies that are cut most severely by the House. Second, Fenno argues that agencies with a large amount of constituency support received more from the Senate. According to Fenno one of the reasons for this phenomenon is that the sequential nature of the appropriations process allows interest groups to be better prepared and to make more concentrated appeals in the Senate than in the House. Because the Senate does not treat an appropriations bill before it has been passed by the House, interest groups will know where the cuts have occurred, allowing them to concentrate on specific demands for the restoration of funds rather than having to argue for the entire program or agency. This specificity does not have the effect so much that more interest groups appear in the Senate as that their claims should carry more effect.

Differentials in the Budgetary Fate of Agencies:

Wildavsky describes various strategies open to the agencies to realize their goal of maintaining or expanding their base. Use of these strategies might be likened to the variables Fenno uses to account for differences between agencies. Besides developing confidence in the agency's reliability and competence in order to avoid excessive Congressional scrutiny, one of the most important of these strategies is to develop a clientele. The basic aim of each agency in
developing its clientele is to be able to demonstrate the worthiness of its programs to Members of Congress. Since usually a large number of people are affected by an agency's programs, in order to develop its clientele an agency must make sure that the relevant people are aware of the benefits provided by the agency and that they will provide feedback to Members of Congress about these benefits. Sometimes an agency can try to manipulate its clientele by trying to expand it if not to create it, or by making members of Congress more sensitive to it. The Census Bureau for instance was successful in its request for the funding of a particular survey by concentrating the survey in specific Congressional constituencies, thereby making it part of the constituency interests that representatives are supposed to protect. 17 The State Department's efforts to organize support for its policies were mentioned earlier. The National Institutes of Health managed to expand its clientele by splitting into several institutions with specific tasks with which interest groups could identify more easily. 18

Unlike Fenno, Wildavsky does not consider the strategies agencies use as explanatory factors accounting for differences between agencies. Strategies can clearly be treated as such, however. Agencies can emphasize different strategies, and some agencies may be more successful than others in using strategies to get a favorable treatment.

Other authors have found that differences between agencies should be attributed to factors similar to those mentioned by Fenno. Thomas and Handberg found that constituency oriented agencies like the Army Corps of Engineers, the Bureau of Reclamation and the Tennessee Valley Authority were treated more generously than other agencies. 19 With
very few exceptions, however, properties of agencies that could account for a different treatment by Congress have not been operationalized explicitly. Most studies use time series analysis and do not engage in cross sectional comparison systematically. Fenno accounts for differences in growth and success rates without actually using operational measures of the factors that he considers important. Davis et al. do use the same factors as external variables in their time series analyses. Their variables are environmental in nature, however, having the same value for all agencies in each year. Obviously differences between agencies are not accounted for by such factors.

Moreland attempted to relate some characteristics of agencies in the Department of Agriculture to properties of their administrative structure. The managerial capacity of an agency, operationalized as the ratio of supergrades to total number of employees in the agency was found to be related to success in agency budgeting. Some measures reflecting behavior of the agency personnel in attending hearings of the House Appropriations Committee were also found to correlate with agency success. The empirical results were rather weak, however. Correlations were generally very low or nonexistent.

Sharkansky has attempted to examine the behavior of four agencies in the appropriations process through a content analysis of the hearings of the House Appropriations subcommittee concerned with these agencies. Sharkansky tried to operationalize differences in strategy of these agencies linking them to the agency's success in getting their budgets through Congress. The differences in strategy, characterized as differences in assertiveness, were considered a
result of the types of support each agency received: public support, which includes outside interests and the support from members of Congress that are not on the House Appropriations Committee; administrative support, which includes support from the President and administrative superiors in the department to which the agency belongs; and finally subcommittee support, reflecting the amount of scrutiny or lenience with which subcommittee members treat the agency's budget. The amount of support that each agency receives is again a function of the nature of the agency's programs that are relevant. In the first place the type of activity is important, where he draws a distinction between regulatory and spending agencies. Second, the breadth of the clientele served by the agency is important, which Sharkansky treats as a judgemental variable distinguishing between national and local clienteles.

**Criticisms of Incremental Budgeting:**

Variables indicating properties of agencies have only been used in these few cases. Moreland's attempts were not very successful. Sharkansky has too few cases to allow very strong inferences. The literature on budgeting has mostly concentrated on the incremental nature of the budgetary process. In arguing whether the entire budgetary process was incremental or not most authors lost sight of the possibility that differences between agencies might account for a more or less incremental pattern in budgeting for particular agencies. Grafton points out for instance that new agencies should be expected to show higher growth rates in their budgets than older agencies.
Decision making cannot be incremental since incrementalism requires that a policy is in existence, that can be used as a basis for decisions. If incremental budgeting is based on past experience, members of Congress simply have not acquired the experience needed in dealing with a new agency. \textsuperscript{22}

Most work on budgeting since 1966 has been based on the work of Wildavsky, Fenno and Davis, Dempster and Wildavsky, either as a straightforward replication or as an adaptation. \textsuperscript{23} Davis et al. published a second paper extending their original dataset to all agencies in the Federal Government concerned with domestic policy, arriving at essentially the same conclusions. Others applied Fenno's approach to military service budgets \textsuperscript{24}, and the budget of the State Department. \textsuperscript{25} Similarly the basic idea of incrementalism was found to hold in international organizations \textsuperscript{26}, budgeting in the states \textsuperscript{27}, and in local government. \textsuperscript{28}

The theory that the budgetary process is incremental in nature has been attacked by a number of authors. One important source of criticism derives from the fact that large changes in budgets do occur from one year to the next. Bailey and O'Connor basically argue that the incrementalists do not distinguish between incrementalism in the process of decision making and incrementalism in the outcome of the process. \textsuperscript{29} According to these authors the process of incremental decision making as described by Lindblom implies that decision makers consider only a limited number of alternatives constituting marginal changes from present policy. They argue that even if decisions are made in this fashion the content of the decision does not have to be
incremental in any sense. For instance a 10% cut in the request of an agency can still imply a large increase in the budget of that agency. Similarly a five percent increase in the budget of an agency over the previous year can be the result of an enormous cut. Moreover, Bailey and O'Connor argue that the incrementalists do not provide a hard quantitative criterion when a change in outcomes is not incremental anymore and even shift criteria in order to put an incremental mold on non-incremental changes.

Similarly incrementalism has been criticized for its theoretical poverty. Williamson describes:

"...the lack of power in the incrementalist hypothesis. It tells us that complex organizations will not be very far tomorrow from where they are today -- which is useful. More interesting are the questions where the organization has been where it is going and why. On these questions incrementalism leaves us foundering." 31

A straight reading of the incrementalists would give one no reason not to expect a constant slope coefficient for the decision rules of each agency. Incrementalism does not provide any explanation for differences in slope between agencies and between time periods. By taking time series data for each agency and by allowing shift points in the series, Davis et al. are really fitting equations of the following form:

\[ X_{it} = B_i(T_j)X_{it-1} + E_{it} \]

where \( B_i(T_j) \) is the value for the coefficient for agency \( i \) in political epoch \( T_j \). Williamson and similarly Wanat have no quarrel with the empirical results that Davis et al. produce, recognizing that the trend in appropriations does indeed show that appropriations at \( t \) are
closely related to those at t-1. Especially Wanat, however, argues that incrementalism is theoretically inadequate because it does not provide any explanation of differences across agencies and across time in the parameters of this relationship. Moreover, according to Wanat, Davis et al. restrict the choice of decision rules to three for the agencies' and Congressional decision making model each, without specifying why others should be excluded. 32

One specific alternative rule for decision making inside departments is presented by Crecine. He argues that changes in total expenditures for the Department of Defense are determined by revenues rather than defense needs. Fiscal constraints determine how much the Pentagon can request, which amount is then decomposed into specific budgetary categories according to departmental standard operating procedures. The most important predictor for agency requests would then be total projected government revenue, rather than requests or expenditures in the previous year. 33

Specifying decision rules on the administration side is problematic for the simple reason that a large number of actors are involved. The final request for an agency presented to Congress is the compounded result of a decision making process involving individual agencies, their departments and the Office of the Management of the Budget each having their own goals and operating procedures. The reason that this process is not described by a set of equations is that data for the requests at each step are unavailable. Legal provisions do not allow the publication of the requests of agencies to their departments, the decisions of the departments and the Office of
the Management of the Budget. The only exception in this respect is the Department of Labor. Agency requests and the subsequent decisions were published in the hearings reports of the subcommittee of the House Appropriations Committee handling these hearings.\textsuperscript{34} Wanat, using this information, concluded that the Office of the Management of the Budget and the Department of Labor were less program oriented than the agencies themselves and more Keynesian in their orientation.\textsuperscript{35} Where the agencies usually asked for increases, the Office of the Management of the Budget usually cut requests while the Department of Labor took a position somewhere in between.

A final criticism of incrementalism is given by Gist.\textsuperscript{36} The main point of his argument is that whatever the merits of incrementalism may have been, the theory is outdated now. Gist argues that as a result of the tremendous increase in the proportion of uncontrollable spending in the federal budget incrementalism as a decision making strategy is simply irrelevant because the part of the budget that Congress can effectively control via the appropriations process is too small. Although the uncontrollable part of the budget is also based on Congressional legislation, it is outside of the range of authority of the appropriations committees and is not subject to revision through the budgetary process. Gist argues that the increase in the uncontrollable part in a particular agency's budget may even exceed the total increment for that agency so that a particular House Appropriations subcommittee is forced to cut into the controllable part of the base of that agency. While changes in the uncontrollable part of the budget may be possible they will necessitate a revision of substantive
legislation, which will disrupt the incremental part of budgetary politics.

One final but very important type of criticism is presented by Natchez and Bupp. These authors argue that incrementalism has definite merits as a model of organizational problem solving in complex situations. At the same time, however, the incrementalist model glosses over the fact that budgeting also comprises a battle between competing interests and alternative program preferences. Incrementalism disregards the fact that some programs are successfully maintained while others slowly dwindle and are discontinued. Given that budgetary actors use an incrementalist approach, the theory of incrementalism does not account for the variation in success in maintaining programs competing for the same resources.

According to Natchez and Bupp the disregard for the programmatic content of budgeting has been a result of the concentration on agencies as a unit of analysis. By aggregating budgets to agency totals the theory of incrementalism biases the data used to reflect the structure of governmental problem solving as opposed to the programmatic content of budgeting. Most conflict over budgetary priorities and competition between programs takes place within agency or departmental boundaries. The authors argue that variations in time in the success of various programs cannot be described as regular processes like the equations Davis et al. present. Rather, success or failure is the result of idiosyncratic events. Internal infighting and successful formation of coalitions supporting a particular program account for changes in funding.
The empirical evidence presented by Davis et al.\textsuperscript{38} strongly suggests that budgetary decision making on the whole is incremental. From a theoretical point of view the question whether budgeting for agencies follows an incremental process seems settled in a satisfactory manner. Debating whether budgeting is really incremental or not seems a futile exercise given the strength of the evidence. On the other hand, the arguments against the incremental nature of budgeting should not be discounted too easily. Framing a theoretical debate in terms of blanket statements over the absence or presence of incrementalism seems fairly useless, however. A more rewarding approach would be to acknowledge the basically incremental nature of budgeting; after recognizing the similarities in the budgetary process, research should concentrate, as a next step, on the differences in patterns of budgeting between agencies. Whether such differences should be treated as idiosyncratic events or as a systematic function of properties of the agencies could be framed as an empirically testable question. As was argued earlier the age of an agency can be seen as a reason for non-incremental patterns of growth. Some of the strategies Wildavsky mentions might serve to explain why some agencies have faster growing budgets than other agencies, while both undergo the same incremental process of decision making.

Following Natchez and Bupp\textsuperscript{39} an important caveat must be made, however, concerning the level of analysis. Budgetary processes may, as these authors convincingly argue, follow other patterns of development at sub-agency levels. The fact that agencies' budgets grow incrementally does not provide any evidence about the nature of budgeting
at other levels. Their findings suggest that agencies' budgets should not be considered as the simple sum of their programs. On the other hand, they show that the assumption of agencies as the relevant unit of analysis should not be made automatically, as most authors have. A very large part of the setting of priorities of budgetary policy may take place at the level of programs. The most basic premise of incrementalism is that decision making is simplified by considering aggregates. Aggregations at the agency level should not be studied at the exclusion of other levels.

Conclusion:

The main task of this chapter was a concern with the description of the appropriations process as a policy making arena. Budgeting was found to take place according to well-developed patterns. Wildavsky and Fenno described the role orientations that appear to hold for most decision makers in the budgetary process. Most important among these, for our purposes are the orientations of the members of the House Appropriations Committee. Fenno showed that the main orientation of the members of this committee is the acquisition of power vis-a-vis their colleagues. This orientation results in a twofold set of decision rules. First, since no power is generated by giving everybody what they ask for, most budgets should be cut. Second, in order to avoid backlashes from the House as a result of cutting too much, worthwhile programs should be supported. Interest groups have to adapt to these decision rules. The behavior of groups should take the role orientations of the most important actors into account. Since the main
orientation is to cut, interest group behavior should be defensive. The main burden of interest group testimony should be to demonstrate that the programs are worthwhile and should be supported with adequate funding. 41

A second feature of budgeting is that Congress and the executive agencies have conflicting orientations. While Congress mainly wants to cut, bureaus mostly seek increases. Moreover, budgets are vital to the bureaus. Without adequate funding bureaus simply cannot operate. Therefore, the policy coalition facing the House Appropriations Committee is predominantly led by the executive. Other actors such as the interest groups or non-members of Congressional appropriations committees tend to ally themselves with the committees or the agencies.

A third point is that the House Appropriations Committee is powerful. Both within the House and with respect to the agencies the Committee manages to make its decisions stick. The power of the Committee is recognized by all the actors involved. As a consequence, all these actors, including the interest groups cannot afford to neglect the Committee. For those favoring certain expenditures, defending requests in front of the Committee is a must. For opponents of certain projects or programs, the Committee is a prime channel of attack.

Whether appropriations grow incrementally or not is not entirely an esoteric question for our purposes. If decision making is only concerned with small parts of the entire budget than this should be reflected in our measures. Where budgeting is concentrated on increases and decreases rather than on total amounts, interest groups
will tend to do so too. If the base of an agency is granted almost automatically then the relevant dependent variable in theories of budgeting should be the difference between appropriations and requests, or the difference between appropriations in consecutive years. Interest group behavior should follow the orientation of budgetary decision makers. The effect on decision making that interest groups have should then be on increments and decrements in funding rather than on gross amounts.

A final point to be taken into account was made by Natchez and Bupp. The relevant level of analysis in budgeting should not be taken for granted. Bureaus should not automatically be assumed to be the only relevant unit of inquiry. Interest group behavior may be effective at a number of levels. Until now no a priori reason to use bureaus exclusively exists.
FOOTNOTES


4. Independent agencies obviously deal with the Office of the Management of the Budget only.

5. The process may not end there, since the President can veto the bill or impound funds appropriated in the bill.


9. A number of changes have occurred in the political and economic environment surrounding the budgetary process. The combined effects of inflation and uncontrollable spending may have affected the base-oriented cutting behavior of the House. See the discussion of Gist's work, p 58 below.


12 Davis et al., "Towards a Predictive Theory of Government Expenditures".

13 Ibid., p 421.


15 The Senate consistently treated agencies in the Department of the Interior more favorably than the House did. Fenno attributes this difference to the fact that the subcommittee of the Senate Appropriations Committee treating the Interior Department was dominated by representatives from Western states, which have a larger interest in the Department's programs. The equivalent subcommittee of the House Appropriations Committee on the other hand was dominated by Easterners.

16 In recent years the Senate Appropriations Committee has started its hearings before the House had passed the appropriations bills.


18 Ibid. pp 67-70.


30 Bailey and O'Connor present as evidence for their arguments Fenno's finding that the ratio of requests to appropriations in the same year is not correlated to the ratio of appropriations in the previous year to appropriations in this year. They argue that the first ratio reflects the pattern of decision making while the second ratio reflects the trend in outcomes. Although the absence of correlation is an interesting finding in itself, Bailey and O'Connor's interpretation is tenuous. According to Lindblom incremental decision making involves the choice from among a limited number of alternatives that
are only marginally different from current policy. Bailey and O'Connor present no evidence that only current requests are considered as alternatives, excluding the amount appropriated in previous years from consideration. In fact, as Wildavsky points out, (The Politics of the Budgetary Process), previous year's appropriations are very important in deciding on this year's budget; the comparison with the appropriation of the year before is facilitated by keeping line items for each agency constant across years and by having the amount appropriated for a line item in the previous year printed in adjacent columns with this year's request. The point remains, however, that incrementalism in outcomes should be distinguished from incrementalism in the decision making process.


34. The chairman of this subcommittee insisted on publishing the amounts originally requested by agencies and departments. He would elicit this information from agency personnel testifying at the hearings of his subcommittee.


38. Davis et al., "On the Process of Budgeting II".

40. Fenno, Congressmen in Committees.

41. The opposite is of course true when interest groups favor budget cuts.

42. Natchez and Bupp, "Policy and Priority in the Budgetary Process".
Introduction:

In Chapter I after a brief introduction the goals of interest groups and the tools they use to affect decision making in government were discussed. The body of Chapter II was devoted to a description of appropriations as a decision making arena and the theory of incrementalism in budgeting. The purpose of this chapter is to bring the material of the two preceding chapters together in order to specify the processes through which the activities of interest groups affect appropriations politics.

In order to affect decision making in budgetary politics interest groups have to deal with a number of actors. In this work most attention will be devoted to the House Appropriations Committee as a policy making unit in budgetary politics. The source of data for the empirical analysis of this study is the public record of the hearing organized by the subcommittees of the House Appropriations Committee. With the hearings of the Senate Appropriations Committee these are the only accessible sources of systematic data on the involvement of interest groups in appropriations.

The emphasis on the House Appropriations Committee is well-supported by the theoretical arguments presented earlier. The simple fact that the House Appropriations Committee is powerful justifies this concentration. Fenno has shown convincingly that the House Appropriations Committee independently makes many important decisions. The Committee is also able to maintain the overwhelming part of these decisions in later stages of the decision making process. Committee
bills are seldom amended substantially, if at all, by the House. If pressure groups are successful at this stage of the appropriations process a very important step to having their decisions written into law has been taken.

The choice of the House over the Senate Appropriations Committee can be justified on this bases. Fenno has argued that the Senate Appropriations Committee is more amenable to pressure groups than the House's Committee. The members of the Senate's Appropriations Committee are more predisposed to serve their constituencies and are more open to their colleagues and other interested parties than the members of the House Appropriations Committee. The House Committee is more important, however, since it makes more decisions on the budget than its Senatorial counterpart. Usually the Senate serves as an appeals body to House decisions. Only when a group feels that it has been disadvantaged will it seek to use the Senate as an avenue of influence. The Senate simply spends less time and concentrated attention on appropriations bills. Since the Senate only tends to concentrate on appeals to House decisions it is only concerned with a subset of the decisions the House makes.

The second set of actors are the bureaus in the federal government. Budgeting is of extreme importance to bureaus and a great deal of the time and attention of the leadership of a bureau is devoted to appropriations. The major part of the hearings of the subcommittees of the House Appropriations Committee is spent on the appearance of bureau administrators. An important part of the communications between the House Appropriations Committee and bureaus takes place at
the hearings.\textsuperscript{5} Defense of the budget is a task assigned to bureaus rather than to departments. Appropriations politics has successfully resisted the centralizing trend in the federal bureaucracy. As opposed to some other areas of executive legislative contracts, the House Appropriations Committee has resisted the tendency to deal with agency affairs through departmental officers. The Committee prefers the direct relationships it has traditionally had with the agencies. Due to the partisan character of departmental leadership its involvement in appropriations is viewed by members of the House Appropriations Committee as a third and separate force intruding in the older, direct contacts between the Committee and the bureaus.\textsuperscript{6}

**The Means of Pressure Group Influence:**

The most important aspect of the House Appropriations Committee is its power orientation. To most members of the Committee reaching a position of influence is the most valued goal in trying to get on the Committee. The goals of individual members are reflected in the behavior of the Committee as a whole. In order not to be reversed on the floor of the House, the Committee must take the policy goals of the House into account. Failure to do so would result in a large number of amendments to appropriations bills as proposed by the Committee and a consequent loss of Committee influence and independence.

The orientation of the Committee is matched by a desire of the House to exert a great deal of influence in the appropriations process. The power of the purse is one of the most important sources of power of Congress over the executive branch. The House wants a strong
committee on appropriations in order to enhance the power of the House as a whole. To a considerable extent the House is willing to tolerate the power of its Appropriations Committee inside the House because it will strengthen the position of the House as a whole. Only when the House Appropriations Committee substantially violates other goals of the House will it withdraw support for the Committee.\(^7\)

The complementarity of the desires of the House Appropriations Committee and its parent body leave the Committee with a considerable amount of decision making freedom.\(^8\) As a result the Committee can disregard the desires of other actors. The Committee is not popular with fellow Members of Congress since it can afford to, and does, disregard many of their requests. Similarly, and for our purposes more importantly, the Committee is not very amenable to interest group pressure.\(^9\) The requests from interest groups can be disregarded simply because the Committee will be backed up by its parent House. Only in exceptional cases can a pressure group generate the pressure required to circumvent the House Appropriations Committee through pressure on the House as a whole. Not many groups could afford the effort that would be required, however. An appeal to the Senate would probably be cheaper and might have a higher probability of success. Attempts to pressure a decision maker as powerful as the House Appropriations Committee is simply outside the range of most groups. Moreover, to the groups that could afford pressure attempts, these attempts would not be a rational strategy.

Apart from the possibility of an appeal to the Senate as a cheap alternative to pressure an important argument against pressure derives
from the fact that appropriations are made annually. If few groups can afford to exert pressure at all, even fewer can afford to do so year after year. More importantly, however, pressure group representatives cannot afford to disregard the fact that they will have to deal with essentially the same set of decision makers every year. Only very few members choose to leave the House Appropriations Committee for another committee. Crucial figures, like subcommittee chairmen, are extremely unlikely to leave the Committee until the end of their career as a representative. As Gamson pointed out, generating pressure to secure a favorable decision is likely to increase the cost of a favorable decision in the future. By pressuring members of the House Appropriations Committee interest groups may alienate these members and spoil their chances in the future. Moreover, if a group is not successful in securing its goals through the appropriations process, the fact that budgeting is an annual event should give that group another chance in later years. Since budgetary decisions are not one shot affairs, groups are unlikely to use any costly avenues of influence. What failed this year may work next year.

As was noted earlier (Chapter I) support is crucial for an agency's success in maintaining independence of policy making. Agencies attempt to develop support consciously in order to develop resources needed to influence other actors. Agencies were found to prefer support from outside the legislature or executive higher-ups. Interest group support is attractive to agencies because groups are more easily mobilized and tend to form stable and lasting sources of support. With respect to budgeting specifically, both Wildavsky
and Fenno have argued that clientele support is a factor accounting for differences in the budgetary fate of agencies. Agencies competing for scarce resources use their clientele to gain a competitive advantage. The agency's strategic goal is to demonstrate that programs are well received and that each dollar spent is necessary. A clientele simply provides feedback to Members of Congress, arguing the merits of agency spending through channels other than the agency itself. Moreover, a clientele can aid an agency in developing trust in the agency's competence among Members of Congress. An agency clientele can reassure the House Appropriations Committee that the choice made and the procedures developed by an agency are correct, that their solutions are right. Trust in the competence of an agency will make the passage of its budget through Congress smoother. If an agency is viewed as competent the House Appropriations Committee can afford to concentrate its scrutiny elsewhere.

Similarly a good case can be made that the information function of interest groups fits the requirements of appropriations decision making. An absolute requirement for the maintenance of Congressional power vis a vis the executive is that Congress makes decisions on a very detailed level. If Congress would only concern itself with grand policy decisions, a large part of executive day to day decision making would escape the domain of Congressional influence. In order to maintain its power the House Appropriations Committee must review and participate on a very specific level. As a consequence the volume of decisions is very high. On recommendation of the Hoover Commission report in 1948, the House and Senate Appropriations Committees reduced
the total number of statutory appropriations items from over 2,000 to approximately 375. At the same time the number of non-statutory earmarks increased, however. Non-statutory earmarks have the same purpose as statutory provisions: to specify purposes, levels and limitations of funding. Rather than a specification through statutory language, non-statutory provisions are transmitted and enforced informally through hearings, committee reports, floor debates and informal contacts between Committee members and agency personnel. The number of non-statutory specifications made by the Committee is a matter of discretion of the Committee, rather than a fixed quantity. The Committee makes ample use of these provisions, however.

Given the high volume of decisions the demands on the capacity of the Committee to engage in specialized decision making are high. The information function of interest groups, serving as a simplifying device, can be a very convenient aid to members of the Appropriations Committee. One reason for the importance of this function lies in the nature of incremental decision making. Since decision making cannot be exhaustive, some devices must exist to alert decision makers to the possibility of errors. Interest groups can serve such a function. When a particular item is cut too heavily interest groups can attempt to demonstrate the negative effect of the cut to the Committee. The assumption is made that if no reaction to a particular cut occurs the cut was probably reasonable.

A second argument for the importance of the information function is a result of the role orientations of bureaus. Bureaus are expected to argue for increases. Given the Congressional predisposition to cut,
the information given by the bureaus to the Committee is seen as biased. Bureaus are distrusted because all their arguments are ultimately self-serving. In this context the information provided by interest groups is a welcome resource. Although the information given by groups is probably as self-serving as the information given by bureaus, at least groups as a source are distinct from the agency. The information given by groups may be valuable because group goals are distinct from agency goals. Two sources of information, both biased but in a different way, are to be preferred to a single source of biased information. Moreover, the possibility exists that some Members of Congress favor the bias of the interest group. Information provided by the interest group may be a useful resource to members in later stages of decision making. In chapter I this use of information was referred to as "persuasion through partisan analysis".

If the processes by which interest groups affect decision making have been described the location of the effect of interest group activities remains to be specified. On what level of budgeting interest group testimony has most effect is not apparent from the literature. The overwhelming majority of authors makes the automatic assumption that the relevant unit of analysis is the government bureau. As Natchez and Bupp have pointed out, however, significant amounts of budgetary policy making occur at the sub-agency level. Decisions about programs and projects are made by the House Appropriations Committee, and interest groups may affect budgeting decisions on programs as much as on entire agencies. Moreover Natchez and Bupp have shown that the variability of budgeting at the program level is higher than
at the agency level. The difference in trends between programs and agencies indicates that different considerations rule the allocation of money at different levels. The budgetary allocation for an entire agency may be ruled by the previous year's total, while the totals for programs within an agency are based on the competitive support each program can acquire.

Especially when taking non-statutory controls into consideration the likelihood that interest groups may affect budgetary decision making at a sub-agency level seems high. Non-statutory decisions are a convenient tool allowing very flexible policy making for the House Appropriations Committee. The Committee can choose to what extent it wants to use non-statutory decisions, and how strongly non-statutory provisions are phrased. The number of non-statutory provisions is variable, both across subcommittees and from year to year.

The flexibility of non-statutory provisions allows the House Appropriations Committee a greater deal of discretion in policy making. Greater discretion in decision making creates greater opportunities to grant interest groups their requests.

"Congressional adoption of lump sum appropriation titles meant that many interest group proposals could no longer be included in the act. In effect the line-item in the performance budget consolidated the favorite programs of many voluntary organizations. Consequently, the language in the committee report became the focus of interest group activity and non-statutory controls the prime method by which the desires of various pressure groups were imposed on the executive."

The level of budgeting at which interest group activity may have an impact can either be bureau budgets or allocations to programs. The level of budgeting can be related to the two processes through
which interest groups exert influence. The support model is clearly related to budgeting at the bureau level. Most of the literature that specifies clientele as a relevant variable also considers bureaus as the relevant unit of analysis. Moreover, the job of getting a budget through Congress is assigned to bureau level administrators; the directors of bureaus rather than the administrators of individual programs are primarily responsible for budgetary relationships with the House Appropriations Committee. As a consequence bureau level administrators are most likely to mobilize interest groups. Some evidence was presented earlier through the example of bureaus that organized their own clientele groups. Clientele support may play a role in budgeting at sub-bureau levels, in the competition between programs for scarce resources. However, once budgeting enters the Congressional stage of decision making, the clientele support function is most likely to be relevant for bureaus as a whole.

The information function is more likely to affect budgeting on a lower level of decision making. Rather than serving the needs of bureaus, the information function aids Members of Congress in making their choices. Especially since the Appropriations Committee has a great deal of latitude in the kinds of choices it makes, the information function may be effective at that level. The availability of non-statutory control techniques allows the Committee to vary the specificity of the allocation of funds that it wants to exercise its authority over. The Committee can make the kinds of decisions that it considers relevant. On the other hand, since the Committee can define its own choices the basis of these choices is not always derivable from the
documents and presentations provided by the agencies. The initiative to make original choices has to be taken either by the Committee itself, or by some relevant actor that is not a bureau. In this respect the information function provided by interest group testimony can play an important role. Given the very large number of decisions made the information supplied by interest groups can provide an important ingredient for sub-bureau level decision making.

Conclusion:

In the introduction to Chapter I the argument was made that the impact of interest group activities on decision making should be estimated with reference to specific types of policies and institutional arrangements. This chapter was an effort to relate the processes by which interest groups can exert influence to the specific features of budgeting as a policy arena. Three processes were examined. The possibility that groups affect budgeting by exerting pressure was rejected.

The remaining two processes, the information and support functions were both related to features of the budgetary process. The support function was hypothesized to aid agencies in avoiding cuts in their budgets. The more groups appear at the hearings to present testimony on an agency's budget the more success the agency will have in getting its budget through Congress. The information function of interest groups was related to the needs of members of the House Appropriations Committee for information from non-agency sources. The volume of decisions to be made by members of the House Appropriations Committee is
very high and the testimony of interest groups may aid decision making in choosing individual items to be raised or cut.

The support and information functions should not be viewed as alternatives. The operation of one does not preempt the operation of the other. By reading the hearings of the House Appropriations Committee where interest group testimony is recorded one cannot identify whether one or the other function is in operation. Testimony by interest groups is usually very similar in style and content. Most groups argue directly for the programs that affect them and try to justify certain levels of expenditures by claiming a real need for the programs. The hearings are conducted in a style that forces witnesses to get to the point. Testimony that does not concentrate on the immediate needs of the groups themselves is usually not appreciated. Groups conform to these expectations and tend to limit their presentations to the things that they are most directly concerned with. Since the presentations of groups are fairly uniform a distinction between the support and information functions cannot be based on the hearings themselves. The support and information functions differentiate two ways in which interest groups may affect decisions of the House Appropriations Committee. Consequently they may be distinguished by the types of outcomes they affect. The support function may affect overall figures for agencies, the information function allocations to individual programs.


3One interesting piece of evidence in this respect is that a few Senators will show up at hearings of House Appropriations Subcommittees. House Members only exceptionally show up at hearings of the Senate's Committee.

4Two observations should be made here. In the first place actors in budgeting are not to be thought of as units of analysis. Natchez and Bupp ("Policy and Priority in the Budgetary Process", *American Political Science Review*, vol 67: pp 951-963. 1973.) distinguish between bureaus and programs as units of analysis. Even if programs are taken as the relevant unit of analysis bureaus still play a role in decision making on an individual program's budget. Second, the terms "bureau" and "agency" are used interchangeably here. Usually bureaus are distinguished from agencies in that bureaus are units of departments in the federal government, while agencies are independent of departments. Although as far as budgeting is concerned some differences exist between bureaus and agencies - bureaus submit their estimates to departments first, while agencies submit their budgets directly to the Office of Management and Budget - they will not be distinguished here. See Chapter IV.


7Fenno, *The Power of the Purse*.

8The importance of the House relative to other actors is also reflected in the process by which Members are assigned to committees. This process is entirely dominated by House leadership. Unlike some other committees such as Education and Labor interest groups are not at all important in assignments to the House Appropriations Committee.

9Fenno, *Congressmen in Committees*.


Fenno, *The Power of the Purse*.


Kirst, *Government Without Passing Laws*.


Ibid.


Ibid.

Introduction:

With a specification of our expectations concerning the impact of interest groups on budgeting in hand, the task of this chapter is to specify how some of our hypotheses can be tested. Unfortunately the theoretical literature on interest groups is as unspecific with respect to measurement procedures as it was with respect to hypotheses about the impact of interest group activities. Most authors limit themselves to qualitative assessments of interest group activities.¹ As was argued in the introduction to Chapter I more rigorous evaluations can be made by outlining a specific area of politics. Armed with the findings of Chapters II and III this chapter describes how our propositions can be tested.

In the first place measures of interest group activity will be developed, indicating the levels and kinds of concerns that interest groups express in budgetary politics. These measures should indicate where groups are active and approximately what they are saying. Second, the measures indicating the effect of interest group activity should be outlined. Since we have argued that interest group influence may take place at two different levels both types of measures should be capable of being aggregated at these levels. The measures of interest group support should work at both the agency and the program level. Data were collected reflecting interest group support with respect to entire agencies for most large agencies in the federal government. Similar data will be collected with respect to the activities of interest groups on individual projects of the Army Corps of Engineers.²
Finally, an effort should be made to assess the quality of our database. Our measures are derived from the hearings on the budgets of the Fiscal Years 1974, 1975 and 1976. A short section will describe the political situation surrounding budgetary politics in these years. Also, some attention will be devoted to the validity and reliability of our data.

Measures of Support and Effect:

The data for our study are based on the hearings of various subcommittees of the House Appropriations Committee. Appropriations bills typically treat a number of agencies and the funding for all programs in these agencies. Only exceptionally are program areas collected and handled in one bill, disregarding the agencies administering the programs. An example of the latter type of bill is the special energy appropriations bill of Fiscal Year 1975, which appropriated energy research funds for a number of agencies, disregarding the other programs of these agencies. More typical is the appropriations bill of the Interior Department, which treated all the programs for agencies in that department, and for a number of independent agencies. Since the bills treating agencies are the regular form of appropriations where typical incremental policy making takes place, our data will consist of the hearings of these bills only. The other type of bills are fairly unique, and do not return annually.

As was argued in Chapter II the repetitiveness of the appropriations process has facilitated the development of regular role behavior. Members of Congress and bureau personnel adopt established forms of
behavior with respect to each other. Similarly the behavior of groups at hearings of the House Appropriations Committee has developed into fairly regular forms of interaction with the Committee. Experienced representatives will behave in remarkably similar ways with respect to the members of the subcommittees attending the hearings. One accepted convention is that witnesses at hearings, at least overtly, attempt to save the valuable time of the subcommittee. Another norm holds that the witnesses specify exactly whom he represents, and usually how large the group is that he represents. A typical introduction is the following:

"Mr. Chairman in the interest of time I will be glad to summarize my statement, however, I respectfully request that the full text of my statement be included in the record. Thank you.

Mr. Chairman, my name is Bradly Koch. I am the staff engineer of the National Rural Electric Cooperative Association. NRECA is the trade association of about 1,000 rural electric cooperatives serving central station electricity to some 24 million people in the rural areas of some 46 states." 4

Similarly witnesses will pay due respect to the expertise of the Committee and be very deferential to the past achievements of the Committee. Very often these deferential attitudes do not stop short of straightforward flattery:

"Thank you very much Mr. Chairman, and other members of the committee. It is always with great pride that I come before this subcommittee that is so understanding, so knowledgeable and so responsive to the total requirements of water resource development, which accounts for the fact that you have been generous and understanding on the project that we present you again this morning." 5

The uniformity of style is usually matched by a uniformity of content. The overwhelming majority of groups discusses allocations of money. As was argued earlier, most witnesses have goals that are
very similar: to affect the allocation of expenditures. The comparability of the content of interest group presentations allows quantification by simple counting procedures. Since the overwhelming majority of all testimony can be reduced to simple goals, the need for complex content analysis and coding schemes is very limited.

Three types of witnesses generally appear at hearings of subcommittees of the House Appropriations Committee. First, representatives of interest groups appear. Second, Members of Congress that are not on the relevant subcommittee of the House Appropriations Committee make presentations at these hearings. Individual petitioners constitute a residual category consisting of all witnesses that are not Members of Congress or interest group representatives. Individual petitioners are usually citizens or representatives of other types of organizations. Cities, state governments, business firms, etc., send their representatives to budget hearings. The first measures constructed from the hearings are simple counts of each of these three types of witnesses.

Although the primary interest is a concentration on interest group behavior, the numbers of Members of Congress and individual petitioners were counted for comparative purposes. The influence that each of these types of witnesses can have may be somewhat different. Members of Congress may perform both a support and an information function; more importantly, however, Members of Congress can expect to have some influence on the basis of the Congressional norm of reciprocity. Since most appearances of Congressional representative are constituency oriented, reciprocity may play a role. On the
other hand, given the power of the House Appropriations Committee, the
effect of reciprocity should not be exaggerated. The House Appropri-
ations Committee can afford to and is known to disregard the wishes of
other Members of Congress.

Some differences can also by hypothesized to exist between groups
and individual petitioners, but here a difference in degree rather
than in kind exists. Both types of witnesses are expected to operate
through the information and the support function. Groups are expected
to be more effective than individual petitioners, however. More
groups are organized around the lobbying function than individual
petitioners. Lobbying is simply a more central activity to most groups
than to most individual petitioners. Second, groups have more re-
sources available allowing them to lobby. Groups on the whole possess
more expertise than individual petitioners. These differences should
not be exaggerated, however. State governors appearing at the hearings
were coded as individual petitioners, although they may have consider-
ably more resources and expertise available to them than the average
group. Other individuals possessed considerable amounts of expertise
because of personal involvement in a project or simply because they
had spent considerable amounts of time researching their presenta-
tions. Some individual petitioners obviously have considerable re-
sources at their disposal while at the same time some of the interest
groups are quite small. In the aggregate, however, one would expect
groups to be somewhat more influential.

A second measure recorded was the size of the groups submitting
testimony. Larger groups might have more resources available to
provide expert testimony to the House Appropriations Committee. Group-size is more important in terms of the support function, however. If an agency has not only a large number of groups in its clientele, but if these groups also represent a sizeable part of the population then it can claim stronger support for its programs than other agencies. In many cases groups volunteer this information in the introduction of their presentation. If this was not the case, the size of most groups was found in the Encyclopedia of Associations. Since data are aggregated by agency, the sizes of each of the groups appearing for one agency were added. As a result the measure may be hard to interpret. Since some groups had individuals as members and others were associations of firms, universities, cities, etc., adding the size of the memberships in a sense involved adding apples and oranges.

Finally a measure was developed to probe the intensity of support for an agency, as opposed to the amount of support. In the first place, the measure reflects whether testimony was supportive or critical of an agency's programs and performance. The direction of support also took into account whether witnesses testified about the programs administered by the agency, the agency itself or both. The numerical scores reflect the assumption that support for a program rather than the bureau itself indicates a weaker degree of intensity than when testimony was concerned with the agency itself. Testimony on programs was scored as a positive or negative 2 and testimony on bureaus as a positive or negative 3. When testimony was concerned with both a bureau and its programs these scores were simply added.
The scoring procedure is summarized in Table IV-1. The support scores were added by calculating an average for each agency. ³

Two simple measures will be used to summarize the fate of agencies in the appropriations process. ⁹ The measures were adopted from Penno's study of the appropriations process. The measures reflect the two central patterns of Congressional behavior in appropriations politics: the tendency to cut and the tendency to increase budgets annually. The measure reflecting annual growth is simply the budget allocation in one year as a percentage of the previous year's budget. The measure reflecting the cutting behavior of Congress, which will be referred to as a measure of success, is the budgetary allocation to an agency as a percentage of the request for that agency.

Since the main emphasis is on the study of decision making of the House Appropriations Committee the specific figures for the budgetary allocations data are the recommendations of the Committee as reported to the floor of the House. Interest group positions are presented to the Committee and are therefore most likely to have an effect at that stage of the decision making process. A second reason is that Committee recommendations are not changed very often on the floor of the House. The data for the growth and success rates were collected from the Congressional Quarterly Almanac and from the published Committee reports to the floor of the House. ¹⁰

The data base for this study consists of the hearings for the budgets of Fiscal Years 1974, 1975 and 1976. Since our objective is to estimate the impact of interest groups the most recently available material was used. Data collection took place during the summer of
1976. At the time the hearings for the Fiscal Year 1977 budget had appeared in print. The budget of 1977 was made under the new system of the Congressional Budget and Impoundment Control Act of 1974, however. Since the new procedures of that Act may have affected decision making of the House Appropriations Committee in some unknown manner, the decision was made not to include 1977.11

The bureaus in the dataset were included on the basis of a number of criteria.12 Only those bureaus that are significantly large to be listed in the Budget of the United States Government were chosen. From these bureaus those were selected that actually direct government programs. Umbrella organizations, such as the Department of the Interior, containing a number of bureaus, are not in the dataset, while bureaus inside the Department of the Interior were included. As was noted earlier,13 the House Appropriations Committee prefers to deal with bureaus directly. Moreover, the application of this criterion excludes agencies performing staff - as opposed to line - functions. The General Services Administration is not in the dataset, for instance. Typically such units as Offices of Secretaries of Departments are not included. An exception in this respect is the Office of the Secretary of the Department of Transportation, which directs a number of programs.

A final criterion employed was the age of the agency. Only agencies that have existed for more than 5 years were included in the study. Younger agencies were not included because their growth and success rates present substantially different patterns of development from agencies that have existed longer. Growth rates of newly created
agencies should on the average be higher than those of established agencies. During the first few years of an agency's existence its programs are built up, and funding for those programs should increase faster than for programs that have been in operation for a longer time period. Similarly success rates of new agencies can be expected to differ from the success rates of established agencies. The House Appropriations Committee treats new agencies with a different set of norms than other agencies. Incremental budgeting cannot operate since the experiential basis for incrementalism is absent. Traditional aids to calculations simply have not developed yet to facilitate budgeting for new agencies.  

Appropriations Politics 1973-1975:

The political situation surrounding the passage of appropriations bills in 1973, 1974 and 1975 was characterized by fairly high levels of conflict. The Fiscal Year 1974 Budget was a scene of direct conflict between Congress, led by a Democratic majority and the Republican President. Although President Nixon's budget proposal constituted an increase over 1973 spending estimates, the main thrust of the budget as submitted to Congress was an effort to limit spending. The most important areas chosen for reductions were programs in the social welfare sector enacted under Democratic Presidents.

President Nixon's justification of the heavy cuts derived from the economic situation. The budget was designed to restrain taxes and to reduce inflationary pressure. A second goal of the budget was to rechannel funding for a very large number of programs from the Federal
Government to the states. The proposal entailed abolishing about 70 federal programs in the areas of education, manpower, law enforcement and urban development. Instead, Federal revenue sharing programs would aid the states in funding their own programs in these areas. Congress failed to act on revenue sharing bills in three of these areas, however.

A third area of conflict related to the appropriations process was the issue of impoundment. President Nixon had dramatically increased the practice of withholding Congressionally appropriated funds in order to hold down spending. According to Congress impoundment was especially used to sharply reduce or stop certain programs for which Congressional authorization and appropriations bills dictated spending.

Although these three areas of conflict did not affect budgeting for agencies in an equal manner, they serve to indicate that the level of conflict between Congress and the President was unusually high in the period under study. To a very large extent the issues were concerned with national economic policy, budgetary reform and the distribution of power. Substantive policy goals also played an important role, however. The spending priorities of President Nixon clearly favored expenditures for national defense over social programs, such as the Food Stamp Program, Rural Environmental Assistance and H.E.W. programs, leading him into direct conflict with Congress.

Yet Congressional appropriations maintained patterns that are comparable to previous years. In spite of the pressures of inflation and uncontrollable spending an overall tendency to cut was maintained. Controversy over budgeting between Presidents Nixon and Ford and a
Democratic Congress did not make the budgetary years under consideration very much different from other years. In 1973, for the first time in a number of years, all regular annual appropriations were cleared by Congress before adjournment. The Departments of Labor and Health, Education and Welfare had been funded in the previous 1.5 years on continuing resolutions. Similarly the Foreign Aid Appropriations bill was the first to pass all the hurdles of the legislative process since 1972. President Nixon only signed the Labor - H.E.W. bill after an explicit agreement with Congress allowing him to impound up to $400 million in funds appropriated by the bill. This agreement was tied to a promise to release funds impounded in Fiscal 1973 during the Fiscal Years 1974 and 1975.

Congressional appropriations politics was also fairly normal in a different sense. Congressional appropriations bills were below executive recommendations in 9 out of 13 cases. The cutting orientation found by Fenno in the 50's and 60's was preserved at least at this level of budgeting. Only the bills appropriating Agriculture and Environmental Protection, for H.U.D., Space Science and Veterans, for Labor and H.E.W. and for the Interior Department were higher than requests, reflecting the conflict in policy preferences. 1973 was an unusual year in that most bills constituted reductions over the previous year, reflecting Nixon's efforts to decrease spending.

Similar themes surrounded the Fiscal Year 1975 budget, although conflict was not as pronounced initially. President Nixon again called for restraint and redistribution of funds to the states. This time he made no efforts to drastically reduce programs or take any
other initiative on his own policy preferences. Most increase proposed were due to uncontrollable expenditures in the social services category and an increase in spending for the Pentagon.

A different theme entered the appropriations process in 1974 in that the impeachment procedures against Nixon affected the speed with which bills were passed. Since the impeachment procedures might stop all other Congressional action for an extended time period, appropriations bills were processed faster than usual. After President Nixon resigned things slowed down considerably, however. The Foreign Aid Bill was not cleared at all during the 1974 session. One of the last acts of Nixon as President was his veto of the Agricultural, Environmental and Consumer Protection Appropriations Bill, which appropriated $138 million more than requested. A second bill was passed, appropriating less than the requested amount, which was signed by President Ford.

In 1975 in spite of the higher levels of conflict, the pattern of Congressional appropriations again tended to cut administration requests, while increasing appropriations over the previous year. Eleven out of thirteen bills reduced appropriations from the executive requests. Ten out of twelve bills constituted increases over the previous year's budget. 16

As was the case under President Nixon, appropriations politics was a central area of policy conflict between President Ford's administration and the Democratic 94th Congress. Although some remnants of the Watergate affair lingered during the debates on funding for the pension of former President Nixon, for the most part conflict centered
on the overall spending increases in the budget. A second area of conflict again centered on areas of increases, this time on funding for education and welfare programs. President Ford vetoed the education appropriations bill shortly before the 1975 summer recess. During the recess the education lobby mounted an intense grass roots campaign for the bill. Congress overrode the veto by comfortable margins after it returned from its recess.

A second bill which was vetoed was the Labor and H.E.W. appropriations bill. According to Congress the bill as requested would be inadequate to keep up with current spending levels. When Congress added $915 million in expenditures, the bill was vetoed. This veto too was overridden. President Ford vetoed a third bill providing funds for emergency unemployment relief, but his veto was sustained in this case. The bill was unique in that it was not based on executive requests, but originated entirely in Congress. Strongly favored by the A.F.L.-C.I.O., the bill appropriated funds for public works, construction and conservation projects, small business loans, etc. in an attempt to relieve unemployment by direct spending. The A.F.L.-C.I.O. campaigned strongly for the bill and even organized a rally in Washington attended by 60,000 people. After Congress sustained the veto a number of funds contained in the bill were added to a supplemental appropriations bill.

The intensity of conflict is reflected by the fact that only 7 of 12 bills were decreased from the requested amounts. Nine of twelve bills were higher than 1975 amounts. Of the three bills that
were reduced compared to the previous year two can be explained by unique circumstances however.

The nature of the politics of budgeting during this period can be illustrated by drawing a comparison with an earlier time period. Fenno reports the growth and success rates of 36 bureaus averaged from 1947 to 1962. During this time period, on the average, the House Appropriations Committee granted 93.8% of agencies' requests. In our set of bureaus, from 1973 to 1975, the mean success rate was 98.8%. Some of this difference may be due to the different sets of bureaus used, however. Our set includes a large number of smaller agencies and of independent agencies that are usually granted their requests as a matter of routine. Many of these agencies have a success rate of 1, raising the mean estimate upwards. By comparing only those bureaus that are present in both Fenno's and our data sets a more reasonable estimate can be made. These 26 bureaus had a mean success rate of 95.0% in the time period studied by Fenno. In the 1974, 1975 and 1976 budgets these bureaus had a mean success rate of 100.0%. The high mean success rates in both cases are probably a result of the fact that most of these agencies are in the Departments of Agriculture, Health, Education and Welfare, and the Interior Department, which were a target for Presidents Nixon's and Ford's economy measures. The House Appropriations Committee tended to serve as an appeals body against these cuts in many cases, increasing their budgets over Presidential requests.

When compared to Fenno's results the success rates too show differences in the time period examined. Fenno reports a mean growth
rate of 3.6%. Our bureaus grew by an average of 15.4% during the time period under examination. Looking at the years individually, in 1973 bureaus lost ground to the previous year by 3%. In 1974 and 1975 their budgets grew 23% and 25% on the average. After the initial attempt to control spending in the Fiscal Year 1974 Budget, the House Appropriations Committee allowed very rapid increases in 1974 and 1975. Here the differences in the two sets of bureaus do affect the comparison, however. By comparing only those bureaus in both studies the differences in growth rate are sharply reduced. The subset of bureaus grew 8.6% on the average in the time period studied by Fenno, while their budgets increased by 9.4% in our study.

The consequences of the peculiarities of the time period considered here are not immediately obvious. In a sense each time period is unique. During the period studied by Fenno shorter periods can be distinguished which are comparable to the 1973 - 1975 period. When Republican Presidents had to sign bills written by Democratic Congresses success rates were higher than average. Although no direct data are available on growth rates, the impression is created that these too were higher during Democratically controlled Congresses. 19

A phenomenon peculiar to budgeting since Fenno's study is the increase in uncontrollable spending. The proportion of funds that is beyond the discretionary control of the House Appropriations Committee has increased dramatically for a number of agencies. This phenomenon probably accounts for the higher mean growth rates in the seventies. For our purposes growth rates may not be as telling a measure of agency performance in Congress, since Congress cannot change uncontrollable
expenditures through appropriations decision making. To the extent that growth rates are determined by other factors, the influence of pressure group support is reduced.

Validity and Reliability:

Since the measures described earlier have not been used in other research to any extent, the validity and reliability of our data should be addressed. The main question that should be considered is how representative interest group behavior at hearings is of interest group behavior in appropriations in general. Do the hearings for outside witnesses give an adequate reflection of the activities of interest groups trying to affect budgeting more generally? 20

At the current level of research this is of course impossible to establish. The best one can hope for is to generate some illustrative insight into the question of validity. One important consideration is that Members of Congress view hearings as important. Congressmen tend to think that hearings are the most proper forum for interest groups to express their point of view. 21 Milbrath argues that hearings are organized in order to lend a sense of propriety to the relationships between lobbyists and Members of Congress. Both Congressmen and group representatives feel compelled to organize formal hearings as a defensive mechanism against possible accusations of improper conduct. 22 Moreover, Members of Congress also consider hearings a very effective tool for groups to get favorable Congressional action. Milbrath reports, however, that lobbyists prefer direct personal contacts to an appearance at hearings. 23
Another important consideration is the fact that Members of Congress use hearings in order to establish points that they wish to make. According to Horn, Congressional representatives consider hearings important because they provide a public record that can be used as ammunition in a later phase of the Congressional decision making process. The hearings serve to generate formal statements of contacts with the decision makers that have taken place informally.\textsuperscript{24}

A different view of the validity of the data relies directly on our measures. Until now our concern was with the question whether one could realistically claim to observe interest group behavior by studying the hearings. An examination of the raw scores of our measures should show whether the hearings are a fair representation of interest group activity. Those agencies that receive support from the most groups are also the agencies that are considered to have strong external support. Among these agencies are the Forest Service, the National Institutes of Health, the Office of Education, the Bureau of Reclamation and the Army Corps of Engineers. Bureaus that are typically weak in external support, such as bureaus in the Departments of Commerce and the Treasury, typically receive no outside testimony at all. Table IV.2 presents the ten agencies receiving testimony from the highest number of witnesses. Agencies receiving no witnesses at all in any of the three years are also listed. Table IV.3 lists the agencies scoring highest on the intensity of support measure. The mean number of witnesses appearing during the three years of hearings is listed in parentheses. The table also lists the 7 agencies receiving negative support. Although a number of the agencies' scores are based
on very low numbers of witnesses, the scores again tend to indicate support for agencies that are generally considered to have strong external support and vice versa.\textsuperscript{25}

The reliability of our measures can be assessed more precisely than the validity. Since the same variables were observed at three consecutive points in time, reliability coefficients could be calculated by using a procedure developed by Wiley and Wiley.\textsuperscript{26} Their model assumes that data are generated with a constant error variance and that a lag - 1 relationship exists between observations of the same variable at different points in time. Using these assumptions and using observed variances and covariances, Wiley and Wiley derive estimates of error variance and reliabilities of the variables at each of the three points in time. The reliabilities as calculated by the Wiley - Wiley model are reported in Table IV.4.a.

In applying this procedure some anomalous results occurred, probably due to the assumption of a constant error variance necessary to apply the model.\textsuperscript{27} An alternative estimate was calculated, developed by Werts et al. which does not require this assumption, but which only estimates one reliability coefficient for the middle time point.\textsuperscript{28} These coefficients are in Table IV.4.b. With only one exception the reliabilities are high to very high. Only the variable measuring the size of the supporting clientele are the reliabilities extremely low. As was mentioned earlier, the measure is substantively questionable too. The decision was made, therefore, to drop the variable from the analysis altogether.
1 See Wilson's comments quoted on p 1.

2 The measures on these projects will be treated in more detail in Ch VI.

3 Two other cases can be distinguished: supplemental appropriations bills and bills for military construction and foreign aid. Neither type of bill allows a concentration on entire agencies, excluding the support function. As a consequence they are not treated here.


5 Ibid. p 238.

6 In a large number of cases Congressional representatives appear with one of their constituents for the sole purpose of introducing them as witnesses to the subcommittee organizing the hearings. In these cases the Congressmen would not present their own views to the subcommittee, and their presence was not coded.


8 More specifically, any testimony requesting some governmental output was coded as a 2. Support for an agency usually consisted of some statement referring to the quality of performance of the agency as a whole. Also, requests for the blanket adoption of an agency's budget, without any reference to the agency's programs, were coded as a 3. Similarly, requests for more personnel for an agency was interpreted as support, unless the request was tied to specific agency outputs. Requests for more personnel for the Farmer's Home Administration for instance were linked to the administration of its housing programs. The goal of the request for more personnel was not support of the agency, but to speed up processing of requests for housing support. Regional offices were too understaffed to be able to handle the increase in demand for support.

Some consideration should be given to the measurement properties of the intensity of support scale. On the basis of the substantive knowledge of the support process ordinal properties of the scale can be assumed. Support for an agency is expressive of a higher intensity than support for an agency's program. Support for both is again higher than support for the agency only. Although only ordinal
properties are assumed least squares analysis will be used to analyze
the data. The robustness of regression procedures under violation of
interval assumptions is well documented. (See: H.T. Reynolds, Making
Causal Inferences with Ordinal Data. Institute for Research in Social
Science, University of North Carolina: Chapel Hill. 1971.)

9 Richard F. Fenno, The Power of the Purse, Appropriations Politics

10 Congressional Quarterly Inc., Congressional Quarterly Almanac,

11 The Congressional Impoundment and Control Act is an effort to
increase Congressional control over the budget as a tool of economic
and fiscal policy. One aspect of control is the imposition of limits
on total spending and spending in various substantive categories. The
Act did not take effect officially until the making of the 1977 budget.
The 1976 budget contained some elements of the new procedures. Overall
total limits were established, but not limits for functional categories.
Since our concern is with agency spending the functional limits are
the most likely to affect budgeting for agencies and programs.
Although the House and Senate Budget Committees did develop informal
limits on functional categories these limits were not formally imposed
until the making of the 1977 budget. See: Congressional Quarterly

12 A listing of Bureaus is given in Appendix A.

13 See: p 72, above.

14 Carl Grafton, "Budgetary Decision Making for Newly Created
Federal Agencies: The House Appropriations Committee as Guardian of
the Treasury". Paper presented at the Southwestern Political Science

15 This section is mainly based on the Congressional Quarterly
Almanac, Vols XXIX, XXX and XXXI.

16 Appropriations bills were treated in 1974. One, the Foreign
Aid Bill was never passed. A second bill, on energy research and
development was treated for the first time, and could consequently
not be compared to an equivalent bill in 1974. This bill was also
one of the two bills that increased appropriations over Presidential
estimates. Also, one of the two bills coming in lower than the pre-
vious year's appropriation was the agriculture bill, which had origi-
nally been vetoed by President Nixon.

18 In the 1974 budget of the Agricultural Stabilization and Conservation Service had a success rate of 17. The Administration had not budgeted the most important program administered by the agency, the Rural Environmental Assistance Program, in an attempt to terminate that program. The House Appropriations Committee restored funds for the program, creating the extraordinarily high success rate. This ratio was excluded from the calculations of the mean success rate.

19 Fenno, *The Power of the Purse*. pp 358–362. Fenno does not present a chart of annual mean growth rates. However, from figure 8.2 (p 360), one can conclude that more agencies had a growth rate higher than 0 during Democratically controlled Congresses.

20 The question of representativeness of interest groups can be addressed in a number of contexts. The primary question here is whether the groups that appear at the hearings constitute an adequate representation of the behavior of groups in the arena of budgetary politics. A second aspect is the question whether these groups are an adequate sample of all interest groups. The latter question is beyond the scope of this work since detailed knowledge of the population of all interest groups would be required. Most likely they are not, however, since not all groups are equally concerned with goals that are affected by the federal budget. Moreover, on the basis of the discussion in Chapter I one would expect an overrepresentation of material incentive groups. Finally one can raise the question how representative groups appearing at the hearings are of the population at large. Here too one would hypothesize that they are unrepresentative. Disproportionate numbers of farmer's representatives appeared compared to blue or white collar organizations. Representatives of Indian tribes appeared in disproportionate numbers compared to black and Mexican American groups.


23 Ibid. Scott and Hunt, *Congress and Lobbies*, pp 77–79.

Validating measures by checking results with the agencies' reputations is of course risky. Other than by the multi-trait multi-method approach no harder approaches are available. This approach is not possible with our data, however. The only alternative remaining is of course to show that the measure indeed performs the role indicated by theory. This so-called construct validation is of course the topic of the next two chapters.


An examination of the observed variances in the anomalous cases revealed that there was a considerable amount of fluctuation in these variances. This finding leads to the suspicion that the assumption of a non constant error variance may not be realistic. In fact one could hypothesize that the error term in each observation is correlated with the magnitude of the score. Since the support variables were aggregated for each agency the score of one agency may consist of a number of observations that is substantially different from that of another agency. Since the total amount of error in one particular score is probably a function of the total number of observations aggregated, and since for most agencies the higher the number of observations, the higher the score, one would expect that the magnitude of the error term is correlated with the score itself, violating one of the assumptions of the model. Since with higher scores the variance tends to increase, one would also expect that the variance in the error term at each wave is correlated with the variance in the observed scores. If the observed scores show a large amount of fluctuation in their variances, then one would expect that the error variance is not constant at each wave, which might account for the anomalous results.

Werts, Joreskog and Linn, Comment.
Table IV.1.

CODING SCHEME FOR THE BUREAU SUPPORT SCORES

<table>
<thead>
<tr>
<th>Support for the Bureau</th>
<th>+</th>
<th>0</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td>+</td>
<td>5</td>
<td>2</td>
<td>-1</td>
</tr>
<tr>
<td>Support for the Bureau's Programs</td>
<td>0</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>-</td>
<td>1</td>
<td>-2</td>
<td>-5</td>
</tr>
</tbody>
</table>
Table IV.2.

TABLE OF HIGHEST AND LOWEST SUPPORT SCORES

Highest:
- Bureau of Reclamation
- Army Corps of Engineers
- Forest Service
- National Institutes of Health
- Office of Education
- Bureau of Indian Affairs
- National Park Service
- Agriculture Research Service
- Soil Conservation Service
- National Foundation of Arts and Humanities

Lowest:
- Department of the Treasury
  - Bureau of Government Finance
  - Bureau of the Public Debt
  - Mint
  - Secret Service
- Department of Justice
  - Legal Divisions
  - Federal Bureau of Investigation
  - Drug Enforcement Administration
- Federal Communications Commission
- Interstate Commerce Commission
- National Labor Relations Board
- Federal Maritime Commission
- Federal Mediation and Conciliation Service
- Commission on Civil Rights
- Railroad Retirement Board
- Renegotiation Board
- Post Office
- Department of Transportation, Office of the Secretary
- National Transportation Safety Board
- National Agricultural Library
- Commodity Exchange Authority
- Patent Office
- Federal Insurance Agency (H.U.D.)
TABLE IV.3.

TABLE OF HIGHEST AND LOWEST SUPPORT INTENSITY SCORES*

<table>
<thead>
<tr>
<th>Highest:</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Power Commission</td>
<td>1.3</td>
</tr>
<tr>
<td>National Aeronautics and Space Administration</td>
<td>3.5</td>
</tr>
<tr>
<td>Foreign Agriculture Service</td>
<td>5.3</td>
</tr>
<tr>
<td>Soil Conservation Service</td>
<td>28.3</td>
</tr>
<tr>
<td>Cooperative State Research Service</td>
<td>17.0</td>
</tr>
<tr>
<td>National Foundation of Arts and Humanities</td>
<td>26.3</td>
</tr>
<tr>
<td>National Science Foundation</td>
<td>9.6</td>
</tr>
<tr>
<td>Rural Electrification Administration</td>
<td>3.3</td>
</tr>
<tr>
<td>Farmer's Home Administration</td>
<td>12.3</td>
</tr>
<tr>
<td>Agriculture Research Service</td>
<td>30.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Negative Scores:</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Smithsonian</td>
<td>1.6</td>
</tr>
<tr>
<td>Federal Prison System</td>
<td>3.3</td>
</tr>
<tr>
<td>Federal Trade Commission</td>
<td>3.0</td>
</tr>
<tr>
<td>Internal Revenue Service</td>
<td>.67</td>
</tr>
<tr>
<td>Panama Canal</td>
<td>.67</td>
</tr>
<tr>
<td>Civil Aeronautics Board</td>
<td>.34</td>
</tr>
<tr>
<td>National Mediation Board</td>
<td>.34</td>
</tr>
</tbody>
</table>

* The entries are based on the mean scores over three years. The number in parentheses is the mean number of witnesses in these three years.
## TABLE IV.4.a

<table>
<thead>
<tr>
<th></th>
<th>1974</th>
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<th>1976</th>
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<tr>
<td>Number of Interest Groups</td>
<td>.913</td>
<td>.919</td>
<td>.905</td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>.998</td>
<td>.998</td>
<td>.998</td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>.447</td>
<td>.590</td>
<td>.551</td>
</tr>
<tr>
<td>Intensity of Support</td>
<td>.707</td>
<td>.658</td>
<td>.653</td>
</tr>
<tr>
<td>Group Size</td>
<td>.364</td>
<td>.161</td>
<td>.022</td>
</tr>
</tbody>
</table>

## TABLE IV.4.b

<table>
<thead>
<tr>
<th></th>
<th>1975</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Interest Groups</td>
<td>.919</td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>.998</td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>.642</td>
</tr>
<tr>
<td>Intensity of Support</td>
<td>.658</td>
</tr>
<tr>
<td>Group Size</td>
<td>.101</td>
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</tbody>
</table>
Introduction:

The task of this chapter is to test whether interest groups do indeed affect budgeting through the support function. As was argued in Chapter III the support function relates to the making of budgets of entire bureaus. Both Fenno and Wildavsky have argued that the support function is a factor accounting for differences in the budgetary fate of agencies. Fenno presented some evidence in support of this hypothesis. Rank ordering the bureaus in his study with respect to their growth rates he found that among the twelve bureaus with the highest growth rates many received strong support from their clienteles. Among the twelve lowest ranked bureaus clientele support was typically absent. Fenno also found that groups with high success rates tended to have strong support from among Members of Congress.

Supporting testimony from witnesses in a direct sense was scarce. Although the overwhelming majority of testimony was positive in nature, not many witnesses supported agencies directly. Mostly the hearings were concerned with the programs and projects of agencies, rather than the qualities of the agencies themselves. Witnesses did not tend to comment on the quality of the agency qua agency. Statements were restricted to the output of the agency without any reference to how the agency performed its function. Table V.1 displays the average number of times an agency received each measure of the intensity of support measure. As was explained in Chapter IV, the intensity of support measure can assume values from +5 to -5 (but not +4 or -4). The value 0, for neutrality of support, did not occur at all. From
Table V.1 one can easily see that by far most support is positive and that of the positive witnesses most were concerned with agency programs (+2) rather than the agency itself (+3) or both (+5, +1). On the negative side comments about agency outputs are also most frequent.

The preferences of witnesses should not be taken as a direct argument against the support function. The fact that some agencies can count on a large number of groups to testify in favor of their programs is a demonstration of support in itself. The groups show the committee members that the outputs of the agency are needed. Members need to be convinced that the agency's budget is well spent on necessary programs. This kind of impression can be created without laudatory expositions about the agency itself.

The intensity of support, or what on the average witnesses are saying about the agency is only very weakly related to the numbers of witnesses appearing to testify for each agency's budget. Table V.2 presents the intercorrelations between the intensity of support and the numbers of each of the various types of witnesses. Where most of the correlation coefficients are moderately to very high, the intensity measure only correlates very weakly with the other measures. The intensity of support is, not unexpectedly, for the most part an entirely independent measure from the quantity of supporters for the agencies.

A number of other conclusions can be drawn from Table V.2. In the first place, the stability of the correlation coefficients over the three years is striking. No drastic changes in the interrelationships between these variables occurred during this time period.
Behavior at the hearings is very regular. Since behavior is so stable the presentation of the data, for purposes of simplification, will from now on rely on the averaged values of the variables. Except where inappropriate, the analysis will depend on the relationships between the mean values of the three year period.

Second, the intercorrelations between the data is not so devastatingly high that all variables reflect different degrees of the same thing. If the variables were a linear transformation of each other the presentation of the data might be simplified by constructing a compound variable, reflecting the total support for an agency. Since this is not the case, the relationships for the variables will be presented separately.

Empirical Results:

Since the primary hypothesis of this chapter is that support leads to higher rates of growth and success, the support variables were correlated with the growth and success rates. Table V.3 presents the product moment correlations between these measures for each year and for the values averaged for the three year period. Although strictly speaking our hypothesis is concerned with an effect and we should estimate $b$, the regression coefficient, $b$ and $r$ are related through $b = r \frac{S_y}{S_x}$. Therefore, if both $b = 0$ then $r = 0$, and the tests for the null hypotheses are equivalent. For introductory purposes $r$ will be presented. Estimates of regression parameters will be reported later.

At first sight the results are disappointing. The growth rate is not related to any of the independent measures. None of the
coefficients are statistically significant. Moreover, most coefficients have a negative sign. The success rates are positively related to the measures of support. For the most part correlations are very low. Most coefficients are significantly different from 0, however at the .05 level of testing. The only consistent exception in this respect is the intensity of support measure, which at no time is significantly different from 0. The correlations are highest in 1974 and 1975 but tend to drop in 1976. In 1976 none of the measures correlated with the success rate strongly enough to reject the hypothesis that \( r = 0 \) at the .05 level.

Since the correlation coefficient is a measure of the degree of linear fit, the possibility exists that a relationship between support and the rates of growth and success exists, but that these relationships are non-linear in nature. An examination of the scatterplots of the dependent and independent measures against each other can reveal whether any form of systematic, but non-linear relationship is present or not.

Figures V.1 to V.8 represent the scatterplots of the two dependent and four independent measures. The empirical distributions of the data points indicate that some systematic relationships do exist between the growth and success rates and the measures of support. The only exceptions in this respect are the relationships between the growth and success rates and the intensity of support measure (Figures V.4 and V.8). The scattergrams of these distributions indicate a lack of any systematic relationship in the data.
The patterns in the data for the other independent measures are quite similar. They represent fairly straight, fairly horizontal lines in the plot, with increasing variance around the part of the regression line close to the lower end of the range of values of the independent variable. One crucial difference between growth and success rates does occur. With the success rate most of the data points at the lower end of the scale of the independent variable tend to have values on the dependent variable that are lower than 1. With the growth rate the scatter of data points at this end of the scale is more evenly distributed over the range of values of the vertical axis.

A number of interpretations of these distributions are possible. The pattern of distribution of the mean growth rate is somewhat hard to formalize. Fitting a function for this type of distribution is impossible, since the relationship depicted is not defined as a function. High and low values in the range of the function (the growth rate) are associated with one and the same value in the domain of the function (the support measure). This pattern violates the formal definition of a function. 3

A second interpretation is that the functional relationship is a linear one, but violates the assumption of homoscedasticity. In theory this problem could be tackled by using weighted least squares estimating procedures. In practice the application of weighted least squares assumes known standard errors for each observation, which of course are not known in our case. Second, the empirical distribution seems to suggest that if it were possible to apply weighted least squares the solution would result in a regression line that was perfectly
horizontal. The latter point is of course supported by the negligible size of the correlation coefficients.

The empirical distributions of the success rates are more amenable to interpretation. The scatter of data points seems to indicate a relationship where the success rate is a rapidly increasing function of the measures of support, slowly converging to an upper asymptote. In terms of a substantive relationship this function would mean that small amounts of support would lead to rapid increases in the budgetary success rate. As support increased the rate of increase in the success rate would rapidly drop, however.

Attempts to fit a non-linear function to the empirical distribution of the data were not very successful. By fitting \( Y = a + b/X = e \) a function converging to an upper asymptote was fitted. The fit of the data to these curves was slightly better than the simple correlation coefficients presented earlier. The elbow in the curve is too sharp to allow a good fit. An attempt to accommodate the sharp elbow by squaring \( X \) did improve the fit to the data to some extent. Again the results were not very satisfactory, however. Moreover the number of cases was severely attenuated because a large number of observations had values of 0 for some or all of the support measures.

Although a functional form can be estimated for the empirical distribution of the success rate of agencies, the substantive interpretation of this type of function is problematic. Nothing in our theory indicates that very small amounts of support should lead to such rapid increases in the success rate of agencies. The elbow in the curve is too sharp and too close to the lower end of the scale of the support
variables to make sense in terms of our theory. An average of one or two groups testifying at the hearings would make most of the difference in getting reasonably high success rates. Very much larger rates of support over this bare minimum would lead to only minimal further increases in the rate of success.

In terms of what is known about the behavior of Members of Congress such a pattern seems unlikely. Most Members of Congress are too busy to be informed of the proceedings at the hearings. Only Members of the subcommittee conducting the hearings are reasonably aware of which agencies are supported to what extent. Even these Members are not likely to be able to distinguish between agencies receiving support from one or two groups and those receiving support from three or four. Such fine distinctions are unlikely to be made by even the best informed Members of the subcommittees. More likely are distinctions between unsupported agencies, agencies receiving some support and strongly supported agencies. Such distinctions would not generate the distribution of data found, however.

A second problem is that nothing in our theory indicates that a distinction should be made between the rate of growth and the rate of success in terms of functional form. From what is known from the effect of support on budgeting, the effect of support on growth rates should be stronger than on success rates. Fenno found that support from outside groups led to higher growth rates, while support from among Members of the subcommittees would lead to higher success rates. However, as was argued in Chapter IV, the nature of the budgetary process may have changed in the seventies. As a result of the
continuous pressures of inflation and uncontrollable spending the rate of growth in agency budgets has probably become meaningless as a measure of comparison. Whatever the effect the support function may have had on growth rates was probably overwhelmed by these factors in recent years. None of these considerations leads us to conclude that a difference in functional forms is likely, however.

A far more plausible interpretation of the distribution of data points lies in a simple subsetting of the data. Our data base might consist of two separate subpopulations, distinguished by the extent of importance of the support function. One group of agencies is not at all affected by the support function. These agencies do not receive any or very little support of any kind. The growth and success rates of these agencies are entirely a function of other considerations. In the second subpopulation support does have an impact on the making of agency budgets. Political support from outsiders is only one of a number of factors affecting the growth and success rates of agencies in the appropriations process.

Rather than subsetting the agencies on the basis of the amount of support received, a substantive basis for distinguishing between the two hypothesized subpopulations can be found by examining differences between subcommittees of the House Appropriations Committee. Some subcommittees may be more interested in or sensitive to the testimony from outside groups or non-subcommittee Congressmen than other subcommittees. Subcommittees treat outside groups differently to a certain extent. Some subcommittee members may invite witnesses to hearings or solicit letters for the record. Representative Julia
Hansen, for instance, who chaired the subcommittee on the Department of the Interior and a number of independent agencies, organized a letter campaign in support of an increase in appropriations for the National Foundation on the Arts and Humanities. In some cases interest groups and other witnesses are treated as old friends by the subcommittee conducting the hearings. An extreme example of the close association that may exist between Members and outside groups is the subcommittee on public works: some of the Members on this committee are presidents or former presidents of the very associations that are testifying before them. 7

Other subcommittees are not nearly as amenable to hear testimony from outsiders. These subcommittees make a point of not inviting any outside witnesses to their hearings, do not publicize the dates of the hearings and generally tend to be uninviting to this kind of testimony. The subcommittee handling the appropriations for the Treasury Department did not have any hearings at all during the Fiscal Year 1976 budgetary proceedings. Table V.4 displays the mean number of witnesses per agency in front of each subcommittee. The subcommittees are easily separated into two groups, one receiving extensive amounts of testimony and the other receiving very little. The only dubious case is the subcommittee on Department of Defense appropriations, which received comparable amounts of testimony to the subcommittee on Agriculture. In view of the very low number of agencies in the Department of Defense, this subcommittee was grouped with the subcommittees receiving very little support, while the subcommittee on Agriculture was classified in the group receiving higher amounts of testimony. 8
Subsetting the data in two groups by subcommittee did indeed result in significant differences between the two groups of subcommittees. Table V.5 displays the correlation coefficients for the two sets. In both groups of agencies the growth rate in agency budgets did not correlate with the support measures at all. As was hypothesized earlier, the growth rate in agency budgets may not be a very good indicator of an agency's fate in the Congressional appropriations process in the time period studied by us, since it is dominated by other considerations than support. Also, the intensity of support measure affected neither the growth nor the success rates for either sets of agencies. As expected the success rate did correlate with the other support measures for the agencies handled by the subcommittees for Agriculture, Public Works, H.E.W. and Interior. The coefficients were all significant at the .05 level.

The same correlations were calculated between the support measures and the success rate for each individual year (Table V.6). As is immediately apparent the strength of the correlations shows considerable amounts of fluctuation. In 1975 all the correlations were weaker. In this year none of the coefficients was significantly different from 0 at the .05 level. In none of the years was the intensity of support measure significantly different from 0 at the .05 level. With the exception of the number of individuals appearing in 1974 and the number of Congressmen appearing in 1976, the other relationships were significantly different from 0 in these years.9

The systematic drop in the relationships in the 1975 budget seems peculiar. Appropriations politics in this year were not any more
tumultuous than in the other two years. Although all three years were characterized by high degrees of conflict between President and Congress, 1974 was not significantly more so than the other two years. One possible hypothesis is that the unique circumstances of the Nixon impeachment may have affected the budgetary process. The subcommittees of the House Appropriations Committee attempted to expedite work on appropriations bills, anticipating possible delays caused by the impeachment procedures. Whether the Watergate scandal affected budgeting in 1974 is not clear, however, since proceedings returned to their usual pace as soon as President Ford stepped in. Moreover, all subcommittees did have hearings for outside witnesses. These hearings were not unusual in any sense when compared to those conducted in 1973 and 1975.

Significantly a comparison of Tables V.5 and V.6 shows that all correlation coefficients between success rate and the support measures were higher when the data were aggregated over the entire time period. Without exception the relationships were stronger when the data were averaged. Obviously in budgeting decisions are the result of a very large number of considerations. Support from groups, individual petitioners or Congressional colleagues are only one of a large number of factors taken into account by the authors of appropriations bills. In any one year the effect of support may be partially obscured by other factors. By averaging the other effects may be filtered out. An important substantive implication of this finding is that the effect of support on budgeting is noticeable in the intermediate or long run, rather than in short run situations. The support function of interest
groups and other types of witnesses may in any particular year be obscured by other factors. In the longer run, however, the support function does lead to higher success rates for the supported agencies.

Given the regularity of the appropriations process, this finding is not surprising. As was argued earlier, the appearance of groups in appropriations is part of the annual budgetary process itself. Like the interaction between subcommittee members and agency representatives, the appearance of groups is a standard feature of the appropriations process that has developed into regularized forms of behavior for witnesses and subcommittee members conducting the hearings. Although of course considerable differences exist between the outside witnesses appearing, most conform to these roles.11 Most witnesses presenting testimony have appeared in previous years. A direct corollary is that the number of groups appearing for any given agency is usually very stable. Barring unusual circumstances approximately the same amounts of testimony are presented for each agency from year to year. Table V.7 presents turnover correlations between the measures of support from 1974 to 1975 and from 1975 to 1976. The coefficients show high to very high stability in the number of groups appearing. If the number of groups and other types of witnesses is a highly stable element in the appropriations process than it is not very useful in accounting for year to year differences in agency budgets. The same amount of support for an agency simply cannot account for different rates of success in consecutive years.

In order to estimate the effect of support on the success rates, simple regression analysis was performed using the averaged values of
the variables, excluding the intensity of support measure. Given the total lack of correlation indicated by all results until now this variable was dropped from the analysis. The results are presented in Table V.8. All equations in this table explain a significant amount of variance, as indicated by the F-statistic. Similarly all coefficients were significantly different from 0, as indicated by the t-statistic. In substantive terms, however, only the number of interest groups had a sizeable effect on the success rate in budgeting. The b coefficient for the number of interest groups was .004, compared to .001 for individual petitioners and .003 for Members of Congress. Although support from Members of Congress does have a sizeable effect on the rate of success, the amount of variance accounted for by support from Members of Congress is very low.

Since the variables reflecting the different types of witnesses are intercorrelated at reasonably high levels, a proper estimation of the impact of each of the three types of supporters requires entering these variables into a multiple regression equation. The results of a multiple regression of the mean growth rate on interest groups, individual petitioners and Members of Congress simultaneously are presented in Table V.9. Surprisingly the results strengthened the conclusions derived from the simple regressions. The number of interest groups constituted the strongest effect on success in the budgetary process. The other two types of support dropped out of the equation entirely. The improvement in the coefficient of determination is minimal and probably entirely due to the increased number of parameters in the equation. Also the coefficient for the number of
interest groups increased slightly in comparison to the estimate based on the simple regression equation.

Conclusion:

The efforts of interest groups do indeed affect the decisions of the House Appropriations Committee. For a limited number of subcommittees, agencies receiving more interest group support also had higher mean success rates. Whether the efforts of groups affect actual agency spending in a more final sense is an open question, however. After the House Appropriations Committee appropriations bills undergo a number of other steps before the final figures are signed into law. When the variables reflecting the appearance of witnesses at hearings of the House Appropriations Committee were correlated with final budget estimates the results were non-significant. Neither the growth nor success rates were related to the measures reflecting the testimony of the three types of witnesses.

The absence of a relation with the growth rates may be attributable to the same reasons that were mentioned with respect to the original results. A failure of success rates to correlate with the support measures is somewhat harder to account for. Budgets of agencies are affected by a number of factors and can be changed at a number of stages of the budgetary process. Between the time that the House Appropriations Committee submits its estimates to the House and the submission of final estimates to the President a substantial number of changes may have been made. Since the impact of interest group support is not very large, the effect may simply be lost in the final
figures. No plausible assumptions can be made why agencies receiving support should be treated differently at other stages of the appropriations process to negate the initial effect of interest group support with the House Appropriations Committee.

Although agencies receiving support may not have distinguishably higher success rates in terms of the final appropriations figures than other agencies, one cannot automatically conclude that the support from interest groups made no difference in the final figures. Budgeting in Congress is a sequential process. The budget figures set down by a prior actor usually form a baseline figure from which the subsequent actor will suggest changes. The estimates proposed by the House Appropriations Committee are revised by the House. The House figures are revised by the Senate Appropriations Committee, etc. Since budgeting is sequential an initial advantage at an early stage may make a difference in the final figures. In other words, had support from interest groups with the House Appropriations Committee been absent, then the final budget figures for otherwise supported figures might very well have been lower. Even if the effect of support is not observable in the final figures, these figures might still be quite different if the agencies had not been supported.

A number of unexpected results occurred with respect to our findings. In the first place Members of Congress did not affect the growth and success rates of agency budgets. At least on this level of budgetary decision making in terms of the support function no impact from Members of Congress was found. When the effect of interest groups was controlled for, the impact of testimony from Congressmen
disappeared. Since the basis of influence of Members of Congress was hypothesized to be different from that of interest groups, the testimony of Members of Congress was expected to serve as a control for interest group impact. As was shown in Table V.8, however, controlling for Congressional support did not reduce the impact of interest group support. The basis of influence on which Members of Congress were hypothesized to affect decision making in the House Appropriations Committee was the Congressional norm of reciprocity. Based on our findings one can conclude that reciprocity does not affect budgeting at least on the level that it was treated in this chapter. The budgets for entire agencies are not affected by considerations of Congressional reciprocity. This qualification may form both an important caveat and an explanation for the absence of the anticipated effect.

In the first place the point made by Natchez and Bupp\textsuperscript{12} should be repeated here, that not all significant aspects of budgeting are concentrated on the level of agency budgets. Congressional norms, such as reciprocity, and other factors may have important implications in terms of appropriations, without affecting overall levels of budgeting. Second, reciprocity in Congressional politics is directly based on exchange of favors between Congressional colleagues. Most Members will only attempt an exchange of favors in order to obtain a direct benefit. In terms of budgeting the most likely goals for which Members will exert themselves are benefits for their districts. Members of Congress tended to ask for funding for projects and programs directly affecting their districts. Very few Members of Congress expressed an interest outside the range of their own constituencies. Interest groups tended
to cover entire programs or entire agencies, on the other hand. Taking these factors into consideration, the absence of any impact in terms of support should become interpretable.

A similar argument can be made with respect to the absence of influence of individual petitioners. In Chapter III the impact of individual petitioners was described as similar in kind but weaker when compared to the effect of interest groups. On the average having access to fewer resources, but essentially resources similar in nature to those of interest groups, individual petitioners were expected to have less of an impact on agency budgets. As with Members of Congress individual petitioners tended to emphasize particular agency projects and programs of agencies, rather than the entire scope of an agency's activities. Not surprisingly the sole interest of individual petitioners was to emphasize how they were affected by the activities of an agency, with very little regard to other areas.

Interest groups by nature tended to emphasize entire programs. Where Members of Congress and individual petitioners tend to represent specific interests in one geographical location, specific interests are represented by groups usually without a geographic concentration. Interest groups usually present their testimony in the name of all of those affected by an agency or one of its programs. Where a hospital director argues for funding for his hospital, the American Cancer Association tends to plead for funding for the entire American Cancer Institute. Although interest groups also address specific projects their emphasis tends to be more often on the entire agency budget or the budget for an entire program than the other types of witnesses.
Many interest groups match agencies or programs in a way that Members of Congress or individual petitioners cannot. The Bureau of Reclamation, for instance, receives testimony from an organization representing its entire constituency, the National Reclamation Association. Similarly the Office of Education supported by teachers' groups, the National Institute of Health by various organizations of the medical professions, etc. Only exceptionally do Members of Congress present testimony in cooperation with each other and argue on issues affecting more than their districts. During the hearings for the Army Corps of Engineers some state delegations will coordinate their presentations and support Corps projects outside their own districts. Very often these presentations are coordinated with local groups.\textsuperscript{15}

The finding reported here that for some agencies a relatively strong relationship exists between interest group activities and decision making in subcommittees of the House Appropriations Committee corresponds to J. Leiper Freeman's description of policy subsystems.\textsuperscript{16} Although Freeman principally addresses the interaction between bureaus, interest groups and substantive committees, he does include subcommittees of the House Appropriations Committee in his subsystems. According to Freeman these policy subsystems are relatively independent of the major political actors and are quite independent of each other. Similarly Fenno found that subcommittees of the House Appropriations Committee were very independent of each other.\textsuperscript{17} The most important decisions on bills are made during subcommittee markup sessions, and are only relatively rarely amended by the full committee.
Given the independence of subcommittees the question is raised whether any differences exist in the effect of interest groups among the subcommittees that were found to be receptive to interest group testimony. Since the number of observations per subcommittee was too low to allow subsetting for individual subcommittees, dummy variables were used to examine possible differences. No significant differences between subcommittees were found, however. In other words, the effect of interest group support is about equally strong in each of the subcommittees under consideration.

The results allow a distinction between two fairly homogeneous sets of subcommittees of the House Appropriations Committee: those receiving little or no testimony and those that do receive interest group testimony, where this testimony makes a difference. The distinction between these two sets of subcommittees is probably as much a result of properties of the agencies that are under the jurisdiction of the subcommittee as of differences between the subcommittees themselves. Fenno in his elaborate book on the House Appropriations Committee does not mention systematic differences between subcommittees that could explain the differences that we found in the propensity to hear and incorporate interest group testimony.

One important aspect of agencies that could explain the differences in behavior of groups and the different effects groups have is the nature of programs administered by the agencies. This view is basically an application of Lowi's principle that the nature of the political process in a policy system is a function of the outputs produced by the policy system. Those agencies that received support
are also agencies that directly distribute material benefits to individuals, groups and organizations outside of government. Although some agencies provide goods inside government, such as the General Services Administration, these were not included in our data set. Many agencies in our data set do produce benefits directly servicing parts or all of the population, but these are very often not in the form of tangible rewards. Agencies in the Department of Justice or the Treasury are good examples. Other agencies do affect material benefits in the population but do so indirectly. Regulatory agencies may affect conditions of competition within an industry or between industries. Decisions of regulatory agencies take effect indirectly through altering these conditions, rather than distributing benefits directly.

A second very important distinction is the nature of decision making that takes place in the agencies concerning the distribution of benefits. The amount of discretionary authority agencies have in deciding on the allocation of benefits is variable and dependent on the substantive legislation authorizing the programs under the agency's jurisdiction. Agencies like the Social Security Administration and the Food and Nutrition Service have less of a choice in deciding who is to receive the agency's benefits than the National Institutes of Health or the National Science Foundation. In the first two cases, anyone that falls within certain criteria prescribed in substantive legislation has a right to benefits under that program. The National Science Foundation and the National Institutes of Health have comparatively far more freedom to decide who is and who is not to receive their grants.
A final point is the extent to which Members of the House Appropriations Committee are involved in decision making of an agency. In some cases Congressional decisions set agency policy at a very detailed level. No projects of the Army Corps of Engineers are started without authorization by Congress and specific approval of the Subcommittee on Public Works of the House Appropriations Committee. Grants of the National Science Foundation are not subjected to anything like the project by project review that the Corps of Engineers has to pass.

The extent to which subcommittees are concerned with agency decision making is a function of a number of factors. The agency itself may actually desire Congressional involvement. If Congressional decisions are more amenable to agency goals then the agency can use these decisions in claims towards its hierarchical superiors that Congressional intent prevents it from following directives from inside the bureaucracy. Similarly, constituency pressure may direct Members of Congress in the different extents to which they engage in policy making. If constituents would exert significant amounts of pressure on Members of Congress to get N.S.F. grants for their districts, Congressional decision making on the N.S.F. budget might be far more detailed. When compared to the Agriculture Research Service for instance the level of detail of the instructions to the N.S.F. in budgetary directives is minimal.\(^{23}\)

To the extent that a subcommittee of the House Appropriations Committee is a source of authoritative decisions, interest groups and other interested parties will appear at the hearings or otherwise try to influence members of the subcommittee. Although both the nature of
benefits and the amount of discretionary leeway of an agency are of course related to this third element, some independent effect should be attributed to the historical or other environment surrounding decision making in a particular agency's budget. The nature of policy making in a particular area cannot be explained by the nature of benefits and freedom of decision making of the agency alone.

Since this research has only dealt with one time period an evaluation of the impact of interest group support is hard to give. As was argued in the section on results, the nature of budgeting in the seventies affected the growth of appropriations to such an extent that the growth rate lost its use as an indicator of the budgetary fate of agencies. Also, the level of conflict between President and Congress was found to be higher than normal, although comparable to some periods in the fifties. Although no hard evaluation is possible some speculation about the effect of the political circumstances surrounding our budgets can be given.

Essentially the clashes between Congress and the President may have triggered two opposing tendencies. In the first place, since the programs of many agencies were threatened by termination one can expect that more groups appeared than usually, in order to defend the benefits they derived from those programs. The amount of support may have increased above normal levels. Second, the level of conflict between the President and Congress may have reduced the impact of interest groups. J. Leiper Freeman, when describing his policy subsystems, carefully qualified his description of these subsystems. He argued that most policy making would take place in subsystems of government
unless an issue would escalate to a major policy conflict. In that case the major political actors, Congress and the President, would determine policy. Therefore the increased level of conflict and the heightened salience of budgeting during the Nixon administration probably tended to reduce the effect of interest group support.

The extent to which these two effects cancel each other out is impossible to determine, but one can assume that the overall effect was probably to reduce the impact of interest group support. In the first place, a reading of the hearings did not create the impression that many groups appeared to save their programs. The hearings were conducted with a business as usual attitude. Although some references can be found to the conservative orientation of the Office of Management and Budget, very few groups appeared to save their programs. The Rural Environmental and Agricultural Protection program, threatened by abolition was an exception in this respect. Moreover, most programs threatened in the 1974 budget were maintained in 1975, without a corresponding reduction in the number of groups appearing.

Second, the hypothesized effect of a defensive reaction of groups only concerned an increase in the amount of testimony, without affecting the magnitude of the effect of support, changing the number of groups without changing the slope of the relationship. The effect of the escalation in conflict over the budget was assumed to decrease the slope of the relationship. The same groups may have had less of an impact in our time period, due to the higher levels of conflict between the President and Congress. As a consequence the net effect of group support was probably below that of earlier time periods.
As was argued in Chapter IV one way of establishing the validity of our measures is to show that they have the predicted effect. Since interest group support did affect success rates the assumption seems warranted that the support measure was appropriate. Further specification of what type of support was in operation is possible, however, by comparing our data with Fenno's agencies. Fenno's approach to identifying agencies with strong support was purely judgemental, and some divergence can be found between Fenno's classification and our measure of support. In part this divergence may be a result of differences in time period. For instance, Fenno considers the F.B.I. as high in support while it is ranked very low by our measures, which may be a function of real change in support for the F.B.I. rather than an artifact of differences between measurement procedures. On the other hand Fenno considers the Geological Survey as a strongly supported agency and the Bureau of Reclamation as weak in support, while our measures indicate the very opposite.

Fenno may have been concerned with outside support in terms of popularity among the larger public, rather than specific support from outside groups at hearings. In other words, the argument could be made that Fenno's judgement is not necessarily erroneous, but that he classified bureaus with a different kind of support in mind than was measured by us. One could argue for instance that the Bureau of Reclamation is not at all popular among the population at large, either for its programs or its goals. At the same time the Bureau of Reclamation receives strong support from organized local groups directly benefiting from the Bureau's projects. Such an argument would not so much
indicate a lack of validity in either type of measure as qualitative differences in the type of support measured.

In our view this argument cannot be carried very far, however. If public support is intended as popularity of a bureau in a broader sense than interest group support, then the classification of bureaus made by Fenno becomes tenuous. In this sense the distinction between the Soil Conservation Service and the Bureau of Land Management as strong in external support versus the classification of the Bureau of Reclamation as weak in external support seems hard to justify. Similarly the classification of such agencies as the National Bureau of Standards, the Bureau of Labor Standards and the Geological Survey as strong in external support, taken in this sense, seems hard to justify.

On the other hand this argument should sensitize us to the fact that type of support measured is narrowly defined. The majority of groups appearing are either represented by professional lobbyists or are direct beneficiaries of highly specific government outputs. Agencies such as the Army Corps of Engineers and the Forest Service receive more support as measured here than the Office of Education which may very well rank higher in the broader sense of administering widely supported programs. The support function is performed in narrow subsystems of government by groups that do not necessarily represent the support of a wider public.


3 One set of authors defines a function as "a set of ordered pairs having the property that if (a,b) and (a,c) are both elements of [the function] f, then b = c." John W. Bishir and Donald W. Drewes, *Mathematics in the Behavioral and Social Sciences*. New York: Harcourt, Brace and World. 1970.


6 See: Ch IV, pp


8 The mean number of groups appearing for the Subcommittee on Defense may also have been inflated to a certain extent. The hearings were a battleground for opposing interest groups that were arguing over the usage of public vs. private shipyards for the maintenance of Navy ships. In each of the three years the Navy received by far the most testimony of all defense agencies as a result of this controversy. Two agencies in the set of subcommittees receiving high support were also excluded from the data because of unique circumstances. The National Foundation for Arts and Humanities received an inflated amount of support as a result of the activities of Representative Hansen. The Agriculture Research Service had a very low success rate because of a conflict with the Subcommittee on Agriculture over administrative reorganizations. Both agencies showed up as outliers on the scatterplots.
9. The same coefficients were calculated for the growth rates but in none of the years were growth rates affected by our measures of support. Results from this point on are based on agencies in the Subcommittees on Agriculture, Interior, Labor and H.E.W. and on Public Works.

10. Although averaging usually leads to improvements in correlational fit, here substantive reasons lead us to believe that the improvement is due to more than an artifact of the procedure.

11. The role models developed are quite strong. Experienced witnesses conform to a relatively narrow schedule to present their material. Members conducting the hearings will at times compliment a good presentation, where good constitutes an evaluation of style rather than content. Some evidence also indicates that the quality of the presentation may affect the success a witness may have. Overly verbose or badly informed testimony may even backfire. See: Stephen Horn, Unused Power. Washington, D.C.: The Brookings Institution. 1970: p 121.


13. For example with respect to the Soil Conservation Service, Members of Congress would usually urge funding on projects inside their districts, while a typical interest group would usually discuss the entire budget of the Service.

14. This distinction is of course a matter of degree. Interest groups can be and are organized on a local basis. Typical examples are the Kansas Association of Conservation Districts, the Lower Mississippi Valley Flood Control Association, etc. Good examples are various citizens groups that are organized around a local issue.


20 Theodore J. Lowi, "American Business, Public Policy, Case Studies and Political Theory". *World Politics*, vol 16: pp 677-715. 1964. Lowi develops a four-fold typology of political goods, which is rooted in theories of public finance. The typology is not very rigorous, however, in that one specific government policy cannot always be unambiguously assigned to one of the categories. Rather than applying Lowi's scheme only some of the elements are adopted here.

21 See: p. 88.

22 These criteria may of course be more or less explicit and clearly applicable giving the agency more or less authority in deciding who does and who does not qualify.

23 The Committee report on the N.S.F. for Fiscal Year 1975 contained some directives on the level of spending for some programs, such as Graduate Student Support, Institutional Improvements for Science, etc. Directives for the Agriculture Research Service contained very specific instructions for the amounts to be allocated to pecan research, sunflower seed research, the location of research labs, etc. The argument should be repeated here that these differences are probably not due to differences between subcommittees. Significant variations in the level of detail of instructions for comparable agencies in the same subcommittee can be found. The committee report of the Subcommittee on Agriculture, Environmental and Consumer Protection is far more specific for the Agriculture Research Service than for the Cooperative State Research Service, the Extension Service or the Economic Research Service.

24 Freeman, *The Political Process.*

Table V.1.

MEAN FREQUENCY OF VALUES OF THE INTENSITY
OF SUPPORT MEASURE  N = 107

<table>
<thead>
<tr>
<th>Value</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>+ 5</td>
<td>.510</td>
</tr>
<tr>
<td>+ 3</td>
<td>.838</td>
</tr>
<tr>
<td>+ 2</td>
<td>2.300</td>
</tr>
<tr>
<td>+ 1</td>
<td>.230</td>
</tr>
<tr>
<td>- 1</td>
<td>.246</td>
</tr>
<tr>
<td>- 2</td>
<td>.417</td>
</tr>
<tr>
<td>- 3</td>
<td>.097</td>
</tr>
<tr>
<td>- 5</td>
<td>.044</td>
</tr>
</tbody>
</table>
Table V.2.

INTERCORRELATIONS BETWEEN THE NUMBERS OF EACH TYPE
OF WITNESS AND INTENSITY OF SUPPORT

<table>
<thead>
<tr>
<th></th>
<th>Number of Interest Groups</th>
<th>Number of Individual Petitioners</th>
<th>Number of Members of Congress</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>.723</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>.576</td>
<td>.724</td>
<td></td>
</tr>
<tr>
<td>Intensity of Support</td>
<td>.274</td>
<td>.184</td>
<td>.170</td>
</tr>
<tr>
<td>1975</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>.694</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>.560</td>
<td>.738</td>
<td></td>
</tr>
<tr>
<td>Intensity of Support</td>
<td>.332</td>
<td>.194</td>
<td>.215</td>
</tr>
<tr>
<td>1976</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>.711</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>.543</td>
<td>.790</td>
<td></td>
</tr>
<tr>
<td>Intensity of Support</td>
<td>.341</td>
<td>.223</td>
<td>.214</td>
</tr>
</tbody>
</table>
Table V.3.

CORRELATIONS BETWEEN THE MEASURES OF SUPPORT AND THE RATES OF GROWTH AND SUCCESS

<table>
<thead>
<tr>
<th></th>
<th>Number of Interest Groups</th>
<th>Number of Individual Petitioners</th>
<th>Number of Members of Congress</th>
<th>Intensity of Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td>0.11</td>
<td>0.005</td>
<td>0.054</td>
<td>-0.072</td>
</tr>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Success Rate</td>
<td>0.368</td>
<td>0.143</td>
<td>0.217</td>
<td>0.117</td>
</tr>
<tr>
<td>1975</td>
<td>-0.200</td>
<td>-0.082</td>
<td>-0.024</td>
<td>-0.178</td>
</tr>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Success Rate</td>
<td>0.215</td>
<td>0.232</td>
<td>0.210</td>
<td>0.061</td>
</tr>
<tr>
<td>1976</td>
<td>-0.024</td>
<td>0.016</td>
<td>-0.015</td>
<td>-0.008</td>
</tr>
<tr>
<td>Growth Rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Success Rate</td>
<td>0.167</td>
<td>0.104</td>
<td>0.069</td>
<td>0.141</td>
</tr>
</tbody>
</table>

Mean Values 1974 - 1976

<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Growth Rate</td>
<td>-0.080</td>
<td>-0.044</td>
<td>-0.031</td>
<td>-0.139</td>
</tr>
<tr>
<td>Success Rate</td>
<td>0.273</td>
<td>0.210</td>
<td>0.194</td>
<td>0.029</td>
</tr>
</tbody>
</table>
### Table V.4.

**MEAN NUMBER OF WITNESSES PER SUBCOMMITTEE**

1. Agriculture (23) 6.5
2. H.U.D. - Independent Agencies (9) 3.6
3. Transportation (10) 2.8
4. Treasury (9) .8
5. State, Justice & Commerce (22) .8
6. Public Works (5) 48.7
8. Interior (10) 15.3
9. Defense (5) 6.2

* The number in parentheses is the number of agencies under the authority of that subcommittee.
Table V.5.

CORRELATION COEFFICIENTS OF MEAN SCORES FOR DATA SUBSETTED BY SUBCOMMITTEE

Subset 1: H.U.D., Transportation, Treasury, State - Justice - Commerce and Defense

<table>
<thead>
<tr>
<th></th>
<th>Number of</th>
<th>Number of</th>
<th>Number of</th>
<th>Intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Interest</td>
<td>Individual</td>
<td>Members of</td>
<td>of Support</td>
</tr>
<tr>
<td></td>
<td>Groups</td>
<td>Petitioners</td>
<td>Congress</td>
<td></td>
</tr>
<tr>
<td>Growth Rate</td>
<td>-.040</td>
<td>-.250</td>
<td>-.096</td>
<td>-.173</td>
</tr>
<tr>
<td>Success Rate</td>
<td>-.053</td>
<td>-.170</td>
<td>-.103</td>
<td>-.177</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th></th>
<th>Number of</th>
<th>Number of</th>
<th>Number of</th>
<th>Intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Interest</td>
<td>Individual</td>
<td>Members of</td>
<td>of Support</td>
</tr>
<tr>
<td></td>
<td>Groups</td>
<td>Petitioners</td>
<td>Congress</td>
<td></td>
</tr>
<tr>
<td>Growth Rate</td>
<td>-.114</td>
<td>-.026</td>
<td>-.001</td>
<td>-.088</td>
</tr>
<tr>
<td>Success Rate</td>
<td>.725</td>
<td>.482</td>
<td>.350</td>
<td>.253</td>
</tr>
</tbody>
</table>

* Except for the intensity measure all success rates correlated significantly at the .05 level, n = 42. None of the growth rates was significant at .05, n = 38.
Table V.6.

CORRELATION FOR AGRICULTURE, PUBLIC WORKS, LABOR – H.E.W. AND INTERIOR, WITH SUCCESS RATES BROKEN DOWN BY FISCAL YEAR

<table>
<thead>
<tr>
<th>Year</th>
<th>Number of Interest Groups</th>
<th>Number of Individual Petitioners</th>
<th>Number of Members of Congress</th>
<th>Intensity of Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974*</td>
<td>.502</td>
<td>.091</td>
<td>.274</td>
<td>.057</td>
</tr>
<tr>
<td></td>
<td>Success Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1975**</td>
<td>.185</td>
<td>.226</td>
<td>.187</td>
<td>.074</td>
</tr>
<tr>
<td></td>
<td>Success Rate</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1976***</td>
<td>.605</td>
<td>.323</td>
<td>.221</td>
<td>.211</td>
</tr>
</tbody>
</table>

* Except for individual petitioners and intensity of support the coefficients were significant at .05, n = 49.

** None significant at .05, n = 52.

*** Except for Members of Congress and Intensity of Support the coefficients were significant at .05, n = 47.
Table V.7.

OVERTIME CORRELATIONS OF THE MEASURES OF SUPPORT

<table>
<thead>
<tr>
<th>Measure</th>
<th>1974 - 1975</th>
<th>1975 - 1976</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Interest Groups</td>
<td>.948</td>
<td>.870</td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>.910</td>
<td>.909</td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>.730</td>
<td>.726</td>
</tr>
<tr>
<td>Intensity of Support</td>
<td>.747</td>
<td>.730</td>
</tr>
</tbody>
</table>
Table V.8.

REGRESSION COEFFICIENTS OF MEAN SUCCESS
RATES ON SUPPORT VARIABLES

<table>
<thead>
<tr>
<th></th>
<th>( a )</th>
<th>( b )</th>
<th>( F )</th>
<th>( R^2 )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Interest Groups</td>
<td>.991</td>
<td>.004</td>
<td>27.41</td>
<td>.395</td>
</tr>
<tr>
<td></td>
<td>(123.78)</td>
<td>(5.24)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>1.004</td>
<td>.001</td>
<td>6.99</td>
<td>.143</td>
</tr>
<tr>
<td></td>
<td>(41.41)</td>
<td>(2.64)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>1.005</td>
<td>.003</td>
<td>5.62</td>
<td>.113</td>
</tr>
<tr>
<td></td>
<td>(110.54)</td>
<td>(3.91)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* The number in parentheses is the value of the student's t Statistic. Critical \(|t|\) at \( \alpha = .05 \) (one tailed) is: \(|t| \geq 1.69. \)
Critical \( F (1, 42, .05) = 4.07 \).


Table V.9.

MULTIPLE REGRESSION COEFFICIENTS OF MEAN SUCCESS RATES ON SUPPORT *

<table>
<thead>
<tr>
<th></th>
<th>( b )</th>
<th>( t )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>.991</td>
<td>120.370</td>
</tr>
<tr>
<td>Number of Interest Groups</td>
<td>.005</td>
<td>4.16</td>
</tr>
<tr>
<td>Number of Individual Petitioners</td>
<td>-.0007</td>
<td>-.94</td>
</tr>
<tr>
<td>Number of Members of Congress</td>
<td>.0008</td>
<td>.52</td>
</tr>
</tbody>
</table>

\* Critical \( t \) at \( \alpha = .05 \) (one tailed) is: \( t = 1.69 \).
Critical \( F(3,40,.05) = 2.83 \).
\( R^2 = .41 \).
FIGURE V.2

A = 1 OBSERVATION
B = 2 OBSERVATIONS
... ETC.
FIGURE V.3

A = 1 OBSERVATION
B = 2 OBSERVATIONS
....ETC.
FIGURE V.6

A = 1 OBSERVATION
B = 2 OBSERVATIONS
....ETC.

MEAN GROWTH RATE

MEAN NUMBER OF INDIVIDUAL PETITIONERS
Figure V.7

A = 1 Observation
B = 2 Observations
... etc.

Mean Growth Rate vs. Mean Number of Congressmen
Introduction:

The purpose of this chapter is to see whether group testimony has an effect on the sub-agency level of budgeting. As was argued in Chapter III, groups may affect budgeting in Congress on the level of programs or projects. The mechanism of what was labeled as the information function of interest group testimony was essentially through aiding Members of Congress in making decisions on a detailed level. Members of the subcommittees of the House Appropriations Committee tend to be highly specialized in quite restricted fields of policy. These Members make many, and very specialized decisions on the distribution of funds within and between agencies. Given the constraints on their time and given that Congressional goals very often impose roles on Members contrary to agency goals, Members of Congress can use pressure groups as a source of expertise that is separate from the agencies concerned.

In order to investigate the effect of interest group activities on a more specialized level, data comparable to those used in the previous chapter were gathered on a project by project level for the 1975 budget of the Army Corps of Engineers. The choice of the Corps of Engineers is based on a number of methodological considerations. In order to collect data on a sub-agency level a list of projects or programs is needed. Unfortunately, the various reports on budgets do not very often allow the compilation of such lists. Very often projects and programs referred to by outside witnesses are extremely hard to match with the items listed in the budget. Second, most agencies
do not carry out a very large number of programs or projects; these agencies engaging in a large number of discretely identifiable activities do not systematically identify these activities in the budget documents.

The Army Corps of Engineers is an exception in this respect. For the Corps of Engineers lists of all projects are presented in tabular form in the reports of the House Appropriations Committee to the floor of the House. Moreover, the number of projects carried out by the Corps is sufficiently large to facilitate statistical analysis. By only analyzing projects within one agency idiosyncratic differences between agencies are controlled for. Moreover, all projects in the Corps are comparable to each other in content, thereby avoiding the effects of idiosyncratic properties of programs under consideration.

Finally the choice of the Corps was justified by the fact that Congress engages in the type of specialized decision making described earlier with respect to the Corps. The subcommittee of the House Appropriations Committee handling the public works bill is an important decision maker, determining the fate of project proposals for the Corps of Engineers for individual projects. Moreover, many groups appear at hearings to testify on the Corps' budget on a project by project basis. Since the number of projects is quite high, project by project decision making is a very demanding task where group testimony can play an important role in aiding decision making. The next section will be devoted to a description of the appropriations process for the Corps and data collection procedures. A discussion of the results and a conclusion follow.
The Appropriations Process for the Corps of Engineers:

Appropriations are an integral part of the process of decision making by which construction projects of the Corps of Engineers are selected. Before construction on a project is started the proposal for a project must pass through 32 separate stages of decision making. Of these stages those involving appropriations decisions for project investigations and final construction are the most important ones.\(^1\)

Any project must pass the appropriations process several times. First a project must be included in the General Investigations section of the Corps' appropriation bills. These funds are appropriated in a lump sum and are used to fund the initial feasibility study of a project.\(^2\) On the basis of the feasibility study of a project an analysis of the economic costs and benefits is made. With this analysis a request is made to authorize funding for a project. Once a project is authorized specific funding must be obtained through the appropriations process to do the engineering and design study for a project. After this second study a project must pass the appropriations process a third time in order to obtain funding for construction.

Especially the last two stages are very significant. The authorization of projects after the initial study is a fairly automatic decision, if the cost-benefit ratio for a project is sufficiently large. Most projects satisfying certain criteria pass this stage. Appropriations decision making on engineering and design and on construction funding is far from trivial, however. Many projects that are authorized do not receive funding under these categories for many years, and some never do. Moreover, Congressional decision making at these
stages is very important. In Congress usually as many new projects are added to the budget as are proposed in the budget as it is submitted to Congress. Also, many spending items are revised, usually upward, by Congress. Obtaining these so-called "new starts" for projects constitutes a very significant hurdle in getting a project constructed.

Congressional decision making on the budget generally tends to favor the Corps. In this respect the Corps differs from other agencies. The House Appropriations Committee tends to raise the total Corps budget over the estimates submitted by the Office of Management and Budget. On individual projects the Committee usually raises estimates and adds new projects. Reductions are exceptional. The Corps is essentially a Congressional agency. The Office of Management and Budget does reduce many of the Corps' estimates and deletes many new starts proposed by the Corps. Congress tends to serve as an appeals body where many of the cuts are reinstated.

The Corps' budget for Fiscal Year 1975 was no exception in this respect. The energy crisis of the previous few years served as a reason to increase funding to speed up construction of projects with power generating capabilities. Moreover, the attempts of the Nixon administration to limit spending were felt in the public works too. Very few new starts had been permitted by the Office of Management and Budget. Congressman Evins, who chairs the Subcommittee on Public Works, formulated the concerns of the Subcommittee as follows. Addressing an outside witness in praise of his presentation Mr. Evins said:
"Let me first thank you Mr. Thompson for a splendid presentation. You speak my kind of language. You speak of the paucity of new starts, you speak of the delays, of the low funding levels for those projects underway.

This Committee has been concerned some time about moving projects forward. We think the time has arrived to do it with the energy crisis confronting the country." 3

With respect to the Corps the cutting orientation maintained towards other agencies is abandoned. The Subcommittee on Public Works does not hesitate to claim the merit of speeding up construction and spending for projects. At several points during the hearings on the Corps' budget the Corps' officers were encouraged or praised for their efforts to increase spending. 4 On request of the Subcommittee the Corps provided a list of projects that could be sped up by increasing the funding. The Corps also, again on the Subcommittee's request, provided a list of projects for which construction could be started, but for which no funding had been requested in the budget. Moreover, the Subcommittee credits itself for taking the initiative on speeding up projects:

[Mr. Evins] "It seems to me, with the energy crisis, we ought to be planning at least to move more of these projects forward to provide the energy which this country needs. If it had not been for this committee and others, I think we would be further behind than we are. We have said for years that it costs more when projects are delayed - not only in funds but in delayed benefits on the line." 5

As was argued in Chapter IV Congress performed an appeals role for many agencies, appropriating increases for bureaus that had been cut by the President's effort to limit spending. With respect to the Army Corps of Engineers the protective attitude of Members of Congress
is a normal state of affairs, however. The Corps more than other agencies is a Congressional agency in that it depends on Congressional decision making in order to pursue its goals. By seeking out Congressional directives at a highly detailed level, the Corps attempts to evade the contrary decisions of its superiors in the executive branch.

The Corps is successful in maintaining such close relationships with Congress because the nature of Corps projects matches the goals of Members of Congress. Both on and off the House Appropriations Committee, Members of Congress want projects in their districts as evidence of the constituency service role that they need to perform. To Members on the Committee constituency service is an important consideration in serving on the Committee. Moreover, these Members receive considerable amounts of pressure from their colleagues in Congress, who also want these projects. Since the Committee's power is based in part on not being amended on the floor, the Subcommittee has to give in to those pressures to a certain extent.  

As a consequence, the Corps' desire to maintain independence from the executive hierarchy is matched by the Congressional aim of constituency service. Both lead Congress to make highly specific decisions with respect to the budget of the Corps. As was mentioned earlier, each project must pass through the appropriations process at least three times. Especially the last two times, funding for engineering and design and final construction funding are critical stages for all projects. Given the large number of projects in the Corps' budget one can hypothesize that the information function of groups can perform
an important role in aiding Congressional decision making. Groups perform an important role at many stages of decision making on the Corps projects. To a very important degree the original initiative for the development of a project originates from local interest groups or Members of Congress, rather than the Corps itself. Also, during the initial feasibility study stage the Corps takes pains to estimate the reaction of local interests to particular aspects of a project proposal. Generally the Corps designs a project to minimize opposition and to maximize support from these interests. 7

Since appropriations decisions are crucial to all projects groups are especially active at this stage. In sheer volume the Corps receives the highest amount of testimony from outside witnesses of all agencies. In terms of the information function, groups serve to indicate a number of things to Members of the Subcommittee on Public Works. Probably the most important aspect of group testimony is to indicate to the Subcommittee the extent of local support and opposition with respect to a particular project. The Subcommittee tends to be quite sensitive to local opposition to a project. Especially when a project is a subject of litigation or of conflict with other agencies, federal or local, the Subcommittee will not allow new planning or construction. 8

A second very important aspect of group testimony is that groups will inform the Subcommittee of the Corps' estimates of the feasibility and funding needs of a particular project. In the jargon of the Corps of Engineers, each project has a certain "capability" which is simply the optimal amount of funding that in the estimates of the Corps is
needed to complete a certain task. The amounts of funding recommended
by the Corps are very often reduced by the Office of Management and
Budget. Officially Corps personnel has to defend the amounts proposed
to the Subcommittee by the Executive and cannot mention its own higher
figures. The Corps is notorious in violating this rule, however, and
mentions its own capabilities for projects when asked to do so during
hearings.9

Interest groups perform this function for the Corps. Especially
when urging for increases and new starts outside witnesses will mention
the capability of the Corps, and recommend that funding be increased
to the Corps' capability. Not only do groups mention the Corps' capa-
bility in order to aid the Corps, but also in order to inform the Com-
mittee that the Corps can reasonably use and approves of the amount
recommended by the group. Groups seldom perform analyses of projects
independent of those of the Corps. Estimates by groups that are
different from the capabilities of the Corps are not frequent. Only
groups opposing projects will sometimes hire an engineering firm in
order to perform analyses of projects independent of those of the
Corps. Most groups, including groups opposing projects tend to take
the technical aspects of the Corps' recommendations for granted, and
either support or oppose a project as proposed by the Corps. Groups
that do question the expertise of the Corps mostly criticise the Corps' estimates of the costs and benefits of a project and the predicted
environmental effects of the project. The subcommittee tends to dis-
count attacks on the expertise of the Corps, however. Although some
Members question the cost benefit ratios calculated by the Corps, the
technical quality of the design and engineering of projects is very highly regarded.

A second point on which the Subcommittee supports the Corps is in the estimates of the capabilities. As was noted earlier, the requests for particular projects in the budget are determined by the Office of Management and Budget. These requests are based on the capabilities submitted to the Office of Management and Budget by the Corps. Many requests are reduced from these capabilities. When the Subcommittee on Public Works decides to raise the estimate on a particular project, it mostly raises the amount to the capability indicated by the Corps. When the request equals the capability changes by the Subcommittee are exceptional. In the case of new starts too, the Subcommittee usually writes an amount into the appropriations bill that equals the capability of the Corps.

The nature of the information provided to the Subcommittee by groups and other witnesses can therefore not be described as highly technical in nature. Few groups could match the expertise of the Corps itself. Only a few opponents of the Corps present engineering reports containing technical information. Supporters of the Corps projects always adopt the Corps' design without comment. Mostly the kind of information presented to the Subcommittee informs the Subcommittee on the balance of local support and opposition to a project. Second, outside testimony usually mentions the Corps' capability for a particular project.

For the empirical part of the analysis data, similar to the data presented in Chapter V, were collected. In order to examine the effect
of testimony through the information function data were collected on a project by project level. Again the number of groups, the number of individual petitioners and the number of Congressional Representatives was recorded. This time, however, each type of witness was separated into the numbers testifying favorably and testifying in opposition to a project. Since the amount of controversy surrounding a project is expected to affect the probability that the project will be increased the numbers of pro and con witnesses were separated.

Second, testimony on a project was coded to reflect the funding suggestions of the witnesses. For each project the number of witnesses mentioning the capability of the Corps was recorded. Very often witnesses would mention a figure different from the budget request, without mentioning the source of their estimate. In many cases these requests turned out to be the Corps' capability. In other words, many witnesses would mention the estimate suggested by the Corps without referring to the Corps' capability. This type of witness was counted separately. Also, the numbers of witnesses supporting the request made in the budget, the numbers opposing expenditures for a project, and the numbers not mentioning any figures at all were recorded.

For each project the budget request and the amount recommended to the House in the Committee report were recorded. Also, when available, the capability of the Corps for a particular project was recorded. Again, many witnesses would mention estimates that were later found to be the Corps' capability. These estimates were recorded separately, however.
For the construction of our dependent variable a different procedure from the previous analysis was followed. In the first place, the budget for a particular project in previous years was not used and a measure comparable to the growth rate was not calculated. Spending for projects does not follow monotonically increasing patterns. As a project approaches completion less money is needed to finish. A decrease on the request for a project may simply indicate that construction is nearly finished. In this situation a decreasing growth rate for a project can indicate both success and failure.

Similarly a straightforward adoption of the success rate would also be problematic. In the first place, new starts could not be incorporated. Especially since the budget request contained very few new starts of its own the addition of new starts by the Subcommittee was a very important measure of success for groups. Since for these projects no request was made, a success rate would be impossible to calculate. Second, the substantive interpretation of a percentage increase over the request in funding for a project would be hard to interpret. Since in those cases that the Subcommittee decides to increase funding for a project the Subcommittee adopts the capability of the Corps, the percentage increase in funding is really a function of the Corps' estimates and the size of the cut made by the Office of Management and Budget. The amount of testimony does not affect the increase in funding for a project at all, since the rate of success depends on figures decided upon elsewhere. Unlike the overall figures for agencies, the Subcommittee most of the time does not come up with
its own figures, but adopts the estimates made either by the Corps or
by the Office of Management and Budget.

Rather than using growth and success rates a simpler variable was
constructed. For each project a variable was calculated to reflect
whether that project was a new start, whether funding was increased or
whether the estimate of the budget was left unchanged by the Subcom-
mittee. No distinction was made between new starts and increases.
Consequently the success measure divides the projects into two classes:
success and no change. In order to analyze this data discriminant
analysis was used.\textsuperscript{10}

As in the previous chapter, the testimony of Members of Congress
and of individual petitioners was also taken into consideration, in
order to control for non-group types of testimony. Again, the type of
effect of groups and individual petitioners is highly comparable.
Groups and individual petitioners can expect to be successful on the
basis of the same type of influence mechanism. Whether the impact of
interest groups will be higher is hard to predict, however. Many wit-
tnesses that appeared as individual petitioners appeared together with
groups. In many cases the alliance between organized groups and
separately appearing individuals was so close that the distinction
was hard to make.

The basis of influence of Members of Congress is again qualita-
tively different from groups since it rests on a mechanism of exchange
of favors among Members of Congress. As was mentioned earlier the
basis of influence of the Subcommittee is that it has power over an
area of politics that is vital to many of their colleagues.
Consequently, the Subcommittee is a target for many of their colleagues requesting a favorable consideration for projects in their own districts. Many requests are accompanied by a promise of favorable consideration elsewhere in Congress. As a consequence one can reasonably expect that the effect of testimony of Members of Congress will be larger than that of groups and individual petitioners.

Results:

The total number of projects in the Corps of Engineers on which data were collected was 724. Included in this number are projects for which funding was neither requested nor appropriated, but for which one of the witnesses did request funding during the hearings. Although a large number of witnesses appeared at the hearings, many of which presented their views on more than one project, the mean number of witnesses per project is low for all the types of appearances. These figures are presented in Table VI.1.a. As can readily be seen, on the average projects received very little testimony. Especially the numbers opposing projects are very low. The mean number of all opponents per project is given in Table VI.1.b, and also turns out to be quite low. Other entries in Table VI.1.b represent the means and standard deviations of the types of recommendations for funding given for each project. Both statistics indicate that only very few projects received substantial amounts of testimony.

Most projects did receive some attention during the hearings, however. Only 31.22% of the projects was not mentioned at all during the hearings. On the other hand 67.45% of all the projects was
mentioned two times or less. Moreover, many projects receive only very little attention during the hearings when they are mentioned. Many groups presented tables listing a large number of projects and recommended funding for each, without substantially going into the merits for each project in detail. Many projects were only mentioned once or twice in passing.

As far as the types of testimony are concerned, very few patterns can be discerned. With only one exception the level of intercorrelation between each of the types of witnesses and the types of recommendations made did not yield any interesting findings. Most correlations were low and in the expected directions. Only the numbers of each type of witness testifying against projects were intercorrelated at an unexpectedly high level. The numbers of groups, Members of Congress and individual petitioners testifying against projects were all intercorrelated at .99. Opposition to Corps projects tends to organize and present to the Subcommittee very similar kinds of coalitions representing each of the three types of witnesses. Positive testimony for projects was weakly but positively related to negative testimony for each type of witness. Projects that generated opposition also tended to receive some supportive testimony most of the time.

Out of the total number of projects in the data set 158 or 22% were successful. The Subcommittee wrote 78 new starts into the budget and increased funding for 80 projects. Of the new starts 30 were projects in the initial planning stage, 35 were funded for engineering and design and 13 were new starts. Of the increases 50 were for
construction funding, 19 were for design studies and 20 to fund initial feasibility studies for new projects.

The results of performing discriminant analysis were very weak. Although the variables reflecting each of the types of witnesses did have an effect on the success or failure of a project the effect was not very strong. The numbers of each type of favorable and opposing groups did not allow very good predictions about the success or failure of each project in the budgetary process. The most convenient summary of the strength of the relationship is presented in Table VI.2.a where predicted success of each project is compared to the actual success. Although 78.6% of the cases is placed in the correct category, the overwhelming majority of correct predictions is in the no success category. Only 5.6% of actual successes were predicted correctly.

Table VI.2.b presents similar results for the discriminating capacity of the variables reflecting each of the types of recommendations. Here too, the predictor variables can only very weakly separate successes from no successes, although this set of variables facilitates slightly better predictions. While the total number of correct predictions is 79.4% or only .8% better than the group variables, the number of successes correctly predicted is 10.7%, almost doubling the percentage found earlier.

Two possible reasons might account for the low level of correlation. In the first place, the relationships might be different for the different types of projects. As was mentioned earlier, the projects receiving funding for engineering and design and for construction
are in a more crucial stage of decision making than projects for which funding for initial surveys is sought. In general initial surveys tended to receive slightly lower amounts of testimony than engineering and design or construction projects. By performing separate analyses, systematic differences between these types of projects might be uncovered. The results did not indicate any such differences, however.

Second, separate analyses were performed for the data subsetted according to differences between the capability of the Corps and budget requests. The Subcommittee attaches great value to the Corps' capability for a project. If the Subcommittee changes funding for a project from the amount requested in the budget, the level of funding written into the budget is usually equal to the capability of the Corps for that project. When the requested amount equals the capability the Subcommittee seldom changes the budgetary item. Therefore a separate analysis was performed for those projects for which the capability was not equal to the budgetary request. Although the results did show some improvement the number of correct predictions increased only marginally.

Both types of variables did have some effect on the chances of success for a project. Although the fit of the data as indicated by the number of correct predictions was very weak, the results conformed to what was expected. Most coefficients for the predictor variables had the correct sign, although the magnitude of the coefficients was very low. On the whole the data presented a mild confirmation of our expectations. One likely cause of the weakness of our results is that the variance in the predictor variables is too low. The distribution
of independent variables was too similar for successes and no successes to provide strong discriminations between them, leading to the low rate rate of correct predictions. In general the mean value for each predictor variable was only slightly higher for the group of projects that were successful than for the group of projects that were not successful.

A second possible reason for the weakness of our results is that our data base fails to take into account an important factor relating to the internal politics of Congressional decision making. According to Ferejohn state delegations of Members of Congress are an important political institution facilitating the exchange of political benefits between Congressional colleagues representing the same state. Although a number of reasons for the importance of state delegations can be invoked, Ferejohn emphasizes that the importance of the operation of state delegations is an empirical fact that must be taken into account.\footnote{11} State delegations function to provide a mechanism for Members from the same state to aid each other in their constituency service. Members alert each other to bills relevant to their districts and support projects of their colleagues.

Particularly in the area of public works state delegations appear to play an important role. A number of states take pains to present a cohesive delegation of Congressmen and their constituents to the Subcommittee on Public Works. Moreover, state delegations cooperate with groups and other relevant constituents before presenting their views. Compromises on which projects to recommend are worked out beforehand. At the hearings themselves the presentation of the views of the
witnesses is carefully orchestrated. Moreover, Ferejohn argues that the Subcommittee on Public Works itself considers state delegations important. If one particular project is supported by the entire delegation of a state the Subcommittee is more likely to treat that project favorably.

On the basis of the importance of state delegations, the data were aggregated by state through simple summation. Although the same questions were addressed with this data set in this case regression analysis was used rather than discriminant analysis. The dependent variable is now the number of successes in a state rather than simply success or failure, allowing the use of ordinary least squares techniques.

Aggregating the project level data for each state revealed quite strong relationships. The correlation coefficients presented in Tables VI.3.a and VI.3.b demonstrate a good fit to the relationship between the number of successful projects in each state and a number of the predictor variables. The results do not confirm all our expectations, however. Table VI.3.a shows that the testimony of groups in opposition to projects does not tend to reduce the number of successful projects in a state. The variables representing the numbers of opposing groups and other witnesses are positively correlated with the number of successes in each state. The correlations are weak, however and are not significantly different from 0 at the .05 level of significance. The measures indicating the numbers of favorable witnesses were significant at this level.
These data were analyzed using multiple regression in order to estimate the impact of the different types of testimony. The coefficients of the regression of the number of successes on the different types of witnesses are presented in Table VI.4. None of the variables indicating opposition from the witnesses had a measurable impact on the number of successes. Surprisingly the number of Congressmen appearing in favor of projects also did not have any impact on the number of successes. The opposition variables were dropped from the analysis and coefficients were reestimated for the numbers of supporting witnesses. Here again, however, the number of Congressmen supporting projects did not have any impact on the dependent variable. The results of regressing the number of successes on the numbers of groups and individual petitioners are presented in Table VI.5. The coefficient for the number of favorably testifying individual petitioners is slightly higher than for the number of pro groups. The difference is probably due to sampling error. When a test was made for the equality of the coefficients the null-hypothesis that they were equal could be rejected.

A second unexpected result occurred when a control was entered for the states of the Members of the subcommittee of the House Appropriations Committee. According to Ferejohn, membership of the Subcommittee on Public Works of the House Appropriations Committee provides Members of Congress with an opportunity to obtain a disproportionately large number of projects for their states. When compared to other states, the states represented on the Subcommittee have more Corps projects planned or under construction. By entering a dummy
variable into the analysis an attempt was made to control for this "Pork Barrel" effect. The coefficients were not significantly different from 0 when tested at the .05 level, however. Rather than assuming that this result contradicts Ferejohn's finding about the benefits of membership of the Subcommittee, the possibility should be considered that the differences in the dependent variable used in his study and in ours account for the different findings. Ferejohn's study was concerned with the total number of projects in a state, while our study looks at the number of projects for which funding was increased by the Subcommittee. Given the influence of Subcommittee Members the budget probably contains sufficient funds for projects in each of these states to make a disproportionate number of increases unnecessary.

Notable also is the absence of any effect of the testimony of Members of Congress. Since the rationale for aggregating our data was the importance of state delegations in the House of Representatives, the effect of Members of Congress should have been overestimated, rather than absent altogether. The failure of Members of Congress to affect the number of successes in a state raises two questions. First the question should be faced why Members of Congress do not have any influence. The most plausible explanation seems to be that Congressmen may very well be influential but that their appearance at hearings is not indicative of that influence. In other words, while some Members of Congress that are not on the Subcommittee may play an important role in choosing new starts and funding increases, they use channels of influence other than the hearings. The hearings are not a valid
indication of the kinds of influence that Members of Congress bring to bear on the Subcommittee.

On the basis of the hearings some value should be attached to this argument. Many Representatives that appear at the hearings make purely pro forma statements. Large numbers of Representatives enter a written statement for the record without appearing at the hearings in person. When a large number of Representatives appear at the same time only a few will make detailed presentations, while the majority of Representatives will be satisfied with very short statements supporting what their colleagues had already said. Also, a very large number of Representatives appear with a group of their constituents. In many cases the Representative will only introduce his constituents without saying anything of substance. \(^{15}\) Many others appeared only to support whatever their constituents requested from the Subcommittee without saying anything beyond the testimony of their constituents. Of course many powerful Members of Congress do appear at the Corps' hearings and eloquently present their viewpoints. However, the fact remains that a large number of .the. presentations of Members of Congress is tied to the appearance of groups or individual petitioners.

The argument should not be stretched too far, however. Many Members of Congress did indeed appear with their state delegations. According to Ferejohn state delegations are a very important context in which exchange of favors takes place. Congressional courtesy or exchange of favors is one of the influencing mechanisms affecting success of projects, which is apparently not reflected very well by the hearings. Since the data were aggregated by state some of the
impact of state delegations should have appeared in our results. Even though the data base with respect to dependent variables is different from Ferejohn's, our definition of success does include "new starts". As was argued in the introduction to this chapter obtaining a "new start" is a crucial step in getting a project constructed. The dissimilarity between the data used here and Ferejohn's is not so great that the expectations based on Ferejohn's results should be discounted. The conclusion must then be that state delegations, at least for the Army Corps of Engineers, at least in 1975, do not affect budgeting.

Since the data were aggregated to accommodate the impact of state delegations, and given the conclusion that state delegations do not affect the decisions on appropriations for the Corps' budget the question is raised how our results for interest groups and individual petitioners should be interpreted. Although the data did support the predicted relationships, something must be said about the interpretation of the aggregated data on groups and individual petitioners. One important observation in this respect is that many groups coordinated their appearance at the hearings with the state delegations of Congressional Representatives. Generally the state delegation would appear together with the spokesmen for interest groups concerned with the Corps' projects. During the presentation spokesmen for different groups would submit their views on different projects concentrating on the most important ones, and making an effort to avoid duplication of each other's testimony. In many cases group coalitions were formally organized in statewide associations. A representative of the
association would direct the testimony, call the representatives of the different interest groups and generally direct the proceedings.

A number of these presentations were not directed by statewide associations, but by organizations representing some other geographical unit. Many Corps projects are not considered individually but fit into a larger plan. The Trinity River Project, for instance, consists of a large number of separate projects, which are budgeted separately and receive individual attention during the hearings. Since the effectiveness of one project depends on the other projects, the Subcommittee probably does not consider them separately. Interest groups interested in these projects usually coalesce into a formal organization concerned with the entire set of projects. Examples are the Wabash Valley Associations, the Lower Mississippi Valley Association and various other organizations concerned with projects in one river basin.

Since many projects are not independent but fit into broader plans the conclusion seems reasonable that aggregated testimony can be interpreted in essentially the same way as testimony for individual projects. On the other hand, not all projects are a part of large-scale designs. Testimony for these projects is only relevant to that one particular funding item itself. Since such projects could not be separated out of the data set, some error may have been introduced. 16

Unfortunately the same assumptions cannot be made for the data on the type of recommendations made to the Subcommittee. Many groups would mention specific amounts of funding for individual projects. Specific recommendations were counted according to whether they
equalled the Corps' capability or the budget's recommendation. In many cases the recommended amount in the budget equalled the capability, in which case the recommendation made by witnesses was counted as supporting the budget. As a result, the type of recommendations made is strongly dependent on the nature of the request for individual projects. Since there is no relationship between the type of the project and the state that the project is located in, aggregating these data is not justified. The results would not be interpretable in the same way that the variables on the numbers of different witnesses could be interpreted.

**Conclusion:**

Unfortunately the results of the analysis in this chapter are not as clear cut as those of Chapter V. Probably because of the lack of variation in our independent measures no definite effects could be demonstrated on the level of individual projects. When the data were aggregated by state that part of our data reflecting some of the content of the witnesses' testimony had to be dropped from the analysis. As a result only those variables most similar to the ones used in Chapter V were analyzed. No clearcut distinction between the support and information function can be inferred, since the data most clearly reflecting the informational content of the witnesses' presentations had to be discarded.

Second, the data indicating opposition to projects turned out not to have a significant impact on the success of projects. Only the variables reflecting positive support for projects were retained. The
substantive implication is, of course, that the Subcommittee tends to disregard opposition to projects, or at least did so in 1975. Some very controversial projects, such as the Dickey Lincoln School project or the Tock's Island project were maintained in the budget or even received an increase, probably because of their power generating facilities. In terms of our original expectations about the distinction between the support and information function these results are very disappointing.

On the other hand, the evidence clearly supports the proposition of Natchez and Bupp that significant patterns of budgetary politics can be found at the sub-agency level of appropriations. The high level of correlation found indicates that decision making at this level is a fruitful area for further study.
FOOTNOTES.


2 Ibid. Ferejohn reports that allocations to different projects from the General Investigations Fund are made by the Corps itself. The House Appropriations Committee Report does contain a section specifying funding allocations to specific project proposals, including changes made by the Subcommittee.


4 See for instance: Hearings for Public Works, etc, Part I: p 382.

5 Ibid. p 35.

6 Ferejohn, Pork Barrel Politics. Ch V.


8 Illustrating this point is the following exchange between Chairman Evins and Representative Bennett of Florida, over funding for the controversial Cross Florida Barge Canal:

[Mr. Evins] "Couldn't you get the other Members of the Florida delegation to be acceptable to this route? We know that the Florida delegation has been divided on this matter."

[Mr. Bennett] "Mr. Chairman, I can attempt to do that. As far as I know, it would be the only waterway project in the United States which is measured that way. After all, this canal is not of primary importance to a lot of Florida. It is of primary importance to the people who have been paying local taxes to the extent of many millions of dollars."

[Mr. Evins] "Florida has very influential leaders: if there was unanimity of support for the project, the committee could look with more favor for supporting it, but there has been this controversy and division within the delegation."

Hearings for Public Works, etc. Vol 7: pp 525-526.
The Corps does qualify its capabilities with statements like the following: "... considering this project by itself without regard to the Corps overall program capability, fiscal restraint or the administration's assessments of the appropriate national priorities for Federal investments, we could utilize..." Or simply: "With the usual words, sir, $130,000 total capability." *Hearings for Public Works*, etc. Vol 1: p 417.

Discriminant analysis facilitates the analysis of categorical data as dependent variables and continuous variables as independent variables. Several problems make the usage of plain regression analysis inadvisable. See: Henry Theil, *Principles of Econometrics*. New York: Wiley. 1971: p 635. Discriminant analysis is highly comparable to regression analysis, however. The goal of discriminant analysis is to find a linear compound of independent variables that maximizes the ratio of differences between the means of the categories of the dependent variables to the variance within these categories. See: John P. van de Geer, *Introduction to Multivariate Analysis for the Social Sciences*. San Francisuco: W.H. Freeman and Co. 1971.


Ibid. Ferejohn takes pains to argue that the degree of cooperation in state delegations is variable. He only mentions one state that does not have a cooperative Congressional delegation and presents this state as a notorious exception.

Ibid. p 66. See also the exchange between Chairman Evins and a Member of the Florida delegation quoted in footnote 8.

Ibid.

As in Ch IV, these statements were not counted.

Also, some danger of creating an ecological fallacy exists. If each project generates a certain amount of testimony and if the number of successes in a state is proportional to the total number of projects in that state, strong but totally spurious correlations may be created. Controlling for this problem by entering the total number of projects in each state to the regression equations presented in Tables V.4 and V.5 did not lead us to substantially alter our conclusions.

The reason behind this decision rule is that the Subcommittee never changed the budgetary recommendations that equalled the Corps' capability.
Table VI.1.a.

MEAN NUMBER OF APPEARANCES PER PROJECT
FOR EACH TYPE OF WITNESS

<table>
<thead>
<tr>
<th>Type</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pro Members of Congress</td>
<td>.59</td>
<td>1.47</td>
</tr>
<tr>
<td>Anti Members of Congress</td>
<td>.04</td>
<td>.83</td>
</tr>
<tr>
<td>Pro Individual Petitioners</td>
<td>.62</td>
<td>1.33</td>
</tr>
<tr>
<td>Anti Individual Petitioners</td>
<td>.14</td>
<td>2.70</td>
</tr>
<tr>
<td>Pro Groups</td>
<td>.69</td>
<td>1.06</td>
</tr>
<tr>
<td>Anti Groups</td>
<td>.15</td>
<td>2.01</td>
</tr>
</tbody>
</table>

Table VI.1.b.

MEAN NUMBER OF EACH TYPE OF RECOMMENDATION PER PROJECT

<table>
<thead>
<tr>
<th>Type</th>
<th>Mean</th>
<th>Standard Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Amount Mentioned</td>
<td>.27</td>
<td>1.07</td>
</tr>
<tr>
<td>Own Figure</td>
<td>.46</td>
<td>1.00</td>
</tr>
<tr>
<td>Capability</td>
<td>.53</td>
<td>1.69</td>
</tr>
<tr>
<td>Request</td>
<td>.65</td>
<td>1.49</td>
</tr>
<tr>
<td>Oppose Funding</td>
<td>.12</td>
<td>.80</td>
</tr>
</tbody>
</table>
Table VI.2.a.

ACTUAL SUCCESS AND SUCCESS AS PREDICTED BY DISCRIMINANT ANALYSIS OF NUMBERS OF WITNESSES PRO AND ANTI

<table>
<thead>
<tr>
<th>Actual</th>
<th>Predicted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Success</td>
</tr>
<tr>
<td>Success</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>1.2%</td>
</tr>
<tr>
<td>No Success</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>0.7%</td>
</tr>
</tbody>
</table>

Table VI.2.b.

ACTUAL SUCCESS AND SUCCESS AS PREDICTED BY DISCRIMINANT ANALYSIS OF TYPES OF RECOMMENDATIONS ON FUNDING

<table>
<thead>
<tr>
<th>Actual</th>
<th>Predicted</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Success</td>
</tr>
<tr>
<td>Success</td>
<td>17</td>
</tr>
<tr>
<td></td>
<td>2.3%</td>
</tr>
<tr>
<td>No Success</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>1.0%</td>
</tr>
</tbody>
</table>
### Table VI.3.a.

CORRELATIONS COEFFICIENTS OF THE NUMBER OF SUCCESSFUL PROJECTS WITH THE TYPES OF WITNESSES

<table>
<thead>
<tr>
<th>Type of Witness</th>
<th>$r$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pro Members of Congress</td>
<td>.514</td>
</tr>
<tr>
<td>Anti Members of Congress</td>
<td>.103</td>
</tr>
<tr>
<td>Pro Individual Petitioners</td>
<td>.767</td>
</tr>
<tr>
<td>Anti Individual Petitioners</td>
<td>.124</td>
</tr>
<tr>
<td>Pro Groups</td>
<td>.737</td>
</tr>
<tr>
<td>Anti Groups</td>
<td>.126</td>
</tr>
</tbody>
</table>

### Table VI.3.b.

CORRELATION COEFFICIENTS OF THE NUMBER OF SUCCESSFUL PROJECTS WITH THE TYPES OF RECOMMENDATIONS

<table>
<thead>
<tr>
<th>Type of Recommendation</th>
<th>$r$</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Recommendation</td>
<td>.593</td>
</tr>
<tr>
<td>Own Funding Level</td>
<td>.745</td>
</tr>
<tr>
<td>Capability</td>
<td>.689</td>
</tr>
<tr>
<td>Budget Request</td>
<td>.532</td>
</tr>
<tr>
<td>Oppose Funding</td>
<td>.479</td>
</tr>
</tbody>
</table>
Table VI.4.

MULTIPLE REGRESSION OF NUMBER OF SUCCESSFUL PROJECTS ON TYPES OF WITNESSES*

<table>
<thead>
<tr>
<th></th>
<th>b</th>
<th>t</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>1.03</td>
<td>2.32</td>
</tr>
<tr>
<td>Pro Members of Congress</td>
<td>.02</td>
<td>.59</td>
</tr>
<tr>
<td>Anti Members of Congress</td>
<td>.49</td>
<td>.57</td>
</tr>
<tr>
<td>Pro Individual Petitioners</td>
<td>.12</td>
<td>1.94</td>
</tr>
<tr>
<td>Anti Individual Petitioners</td>
<td>.03</td>
<td>.11</td>
</tr>
<tr>
<td>Pro Groups</td>
<td>.09</td>
<td>1.77</td>
</tr>
<tr>
<td>Anti Groups</td>
<td>-.16</td>
<td>-.49</td>
</tr>
</tbody>
</table>

*Critical t at $\alpha = .05$ and df = 43 is $t = 1.68$ (one tailed).
### Table VI.5.

**MULTIPLE REGRESSION OF NUMBER OF SUCCESSFUL PROJECTS ON PRO GROUPS AND PRO INDIVIDUALS**

<table>
<thead>
<tr>
<th></th>
<th>( b )</th>
<th>( t )</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intercept</td>
<td>1.12</td>
<td>2.71</td>
</tr>
<tr>
<td>Pro Groups</td>
<td>.08</td>
<td>1.93</td>
</tr>
<tr>
<td>Pro Individual Petitioners</td>
<td>.13</td>
<td>3.04</td>
</tr>
</tbody>
</table>

* Critical \( t \) at \( \alpha = .05 \) and \( df = 47 \) is \( t = 1.68 \) (one tailed). \( R^2 = .62 \).
Introduction:

The purpose of this thesis was to quantitatively estimate the impact of interest group activities on government decision making. As was argued in the introduction to Chapter I the feasibility of such an attempt hinged on limiting the range of the topic. Only by restricting the question of impact to a specific institutional arena and a specific substantive area of public policy did a rigorous approach to the answer become possible. Chapters II and III were devoted to a detailed analysis of budgeting as a field of substantive policy and Congress, or more specifically the House and its Appropriations Committee, as a specific institutional framework. From this analysis hypotheses were derived specifying in which ways the appearance and testimony of groups at hearings of the House Appropriations Committee could affect the decisions of that Committee. These propositions were tested in Chapters V and VI.

Given the structure of the approach a number of areas of the political science literature were considered. Apart from the literature on interest groups much of the material was drawn from the literature on Congress and on appropriations politics. In this chapter the implications of the findings will be limited to considerations concerning interest groups. Previous to this section a short summary of the findings of Chapters V and VI will be presented.
Summary:

The effect of interest group activities on budgetary decision making was estimated at two levels of budgeting: budgets for entire agencies and individual items in the budget of one agency, the Army Corps of Engineers. The results for entire agencies were presented and discussed in Chapter V. These results indicated support for the hypothesis that interest groups' support positively affected agency budgeting. The data did force considerable revisions in the original expectations, however. In the first place a measure reflecting intensity, as opposed to quantity of support, did not show any correlation with the dependent measures at all. Second, of the two dependent measures used, the growth and success rates of appropriations, one was not significantly related to the support received from interest groups. Probably due to the increase in inflationary growth of the budget and the increase in the proportion of uncontrollable spending of the entire budget, the rate of budgetary growth was not affected by interest group support. Whatever effects interest group support may have had on budgetary growth in other time periods were squeezed out in the budgets in our data set.

Systematic correlations were found with the success rate, but under certain restrictive conditions. In the first place the data set was subsetted into two sets of agencies handled by different subcommittees of the House Appropriations Committee. The group of agencies under the authority of the subcommittees on Agriculture, Public Works, the Interior and Health Education and Welfare did confirm the hypothesis that interest groups affect budgeting for entire agencies. These
subcommittees were found to be more receptive to representatives of interest groups, and received greater numbers of groups at their hearings. The relationships for agencies under the authority of other subcommittees were not significant.

A second restriction on the conclusions was the results were presented for averaged values over the three years for which data were collected. In the first place, the results did not consistently support a relationship in all three years. Second, the results based on averaged values showed a better fit of the relationships than for each of the three years individually. Success rates for agencies are a result of a number of factors of which interest group support is only one. Since support from groups is largely a constant across years it cannot account for annual fluctuations in success rates.

The material of Chapter VI considered the relationships between interest group testimony and the fate of individual projects of the Army Corps of Engineers. The choice of the Corps of Engineers was mainly based on methodological considerations concerning the number of witnesses, the number of projects under the Corps' jurisdiction and the large number of decisions made by the House Appropriations Committee on the budget of the Corps. Based on an analysis of the budgetary process for the Corps of Engineers, the dependent variable was defined in terms of success and failure. Both a "new start" for a project and an increase in funding for a project were considered a success. The hypothesis was examined whether interest group testimony was related to success for individual projects.
Although the empirical results were in the predicted direction, they were too weak to be interpreted as supporting the original hypotheses. Neither a breakdown of projects by different stages of planning and construction nor subsetting the data for those projects which had a spending capability higher than the amount proposed in the budget improved the results significantly. The failure of any sizeable relationship to show up in the data is probably due to the low average number of witnesses to appear for individual projects. Moreover, a rather large number of projects was mentioned only nominally by very few witnesses, probably producing rather substantial amounts of "noise" in the data.

A secondary analysis on the data in aggregated form did produce positive results. Successes and testimony data were accumulated on a state by state basis, in order to examine the possibility that state delegations as a unit, rather than individual groups and other types of witnesses might be a significant factor at the hearings. Here results indicated an effect of the testimony of groups and individual petitioners that had a substantial degree of empirical fit.

**Interest Group Support and Information:**

In Chapter I the central points made about interest group behavior were twofold. First an attempt was made to establish on the basis of the literature and with what empirical evidence is available that lobbying is an activity central to the behavior of interest groups. The point became important since a number of influential authors had questioned the purposive behavior of interest groups and argued that
lobbying could be viewed as a by-product of other activities of groups. Second, considerable attention was devoted to an examination of the means by which interest groups attempted to affect decision making. Again, on the basis of the literature, the straightforward use of pressure was rejected as a frequently used device. Alternatively, two separate avenues of influence were presented: information and support. An attempt will be made here to evaluate what impact the empirical results presented in Chapters V and VI had on these points.

In a broad sense this thesis addresses the question whether interest groups make a difference in governmental decision making by using a quantitative approach. The answer is that as far as budgetary decision making is concerned, groups indeed do make a difference. Given the emphasis put on goal oriented behavior in Chapter I the results of Chapters V and VI assure us that the activities of interest groups produced a measurable effect on the behavior of some subcommittees of the House Appropriations Committee. In a negative sense the conclusions of Chapter I that interest group behavior with respect to lobbying is goal oriented is supported by the data. The conclusion is only supported in a negative sense since no direct link between the requests of interest groups and individual decisions made by the House Appropriations Committee was established. In both Chapter V and Chapter VI interest group testimony was aggregated and was not evaluated for individual groups. Second, the attempts to evaluate the effect of groups' testimony on individual projects of the Army Corps of Engineers was not successful. Only when projects and testimony were related in an accumulated form did the hypothesized relations appear.
As a consequence the empirical material presented does not bear directly on the question to what extent interest group behavior in lobbying is goal oriented. Conversely, however, had no effect of interest group testimony been demonstrated, then the conclusion that the lobbying efforts of individual groups are goal oriented would have been questionable. Had an effect of interest group activities been absent in the aggregated form of the data, then the success of individual groups would have been in doubt.

If no effect of group efforts could have been demonstrated then serious doubts would have been raised about the question whether interest group lobbying is purposive or should be considered as a byproduct of other group activities. In the limited sense that we failed to falsify the hypothesis, the empirical material supported the conclusion that lobbying by interest groups is goal oriented, at least as far as the budgetary arena of policy making is concerned.

Although the efforts to demonstrate an effect on individual projects of the Army Corps of Engineers failed, this result should not be interpreted as final. The results may be time bound, only valid for this particular agency or for this particular subcommittee of the House Appropriations Committee. Patterns of budgeting at this level may very well prove to be an area of fruitful research for students of interest groups. Rather than studying individual decisions of the House Appropriations Committee the efforts of individual groups could be singled out for attention. Where in this work the testimony of groups was aggregated by the identifiable decision units of the Subcommittee for Public Works of the House Appropriations Committee, an
aggregation of successes and failures of individual groups over different units of decision making or over time is equally feasible. This kind of empirical material could then be related to properties of interest groups. Hypothesized differences between groups on the basis of theories discussed in Chapter I could then be tested empirically.

A number of conclusions can be drawn from the results with respect to the second major concern of Chapter I, the identification of the means of interest group influence. The empirical data again put limitations on the kinds of inferences that can be made. The most obvious conclusion is that even if interest groups seldom use pressure to achieve their goals they still do have an effect on decision making in appropriations. The use of information and support by interest groups can be an effective strategy of influence in the budgetary arena. The emphasis put on the absence of pressure strategies by interest groups should not be confused with an absence of an impact of interest group behavior.

As was pointed out earlier, however, no impact of individual groups on single decisions has been demonstrated since our data do not allow conclusions of that nature. Consequently nothing can be said at the level of individual groups about the relative success of the various strategies used, when they should be applied and so forth. Some attention should be paid to the distinction between information and support, however. In Chapters I and III these tools of influencing have been kept conceptually distinct. By relating the needs of bureaus and subcommittees in the budgetary arena to the functions interest groups could perform with respect to these actors, the information and
support functions were presented as separate although not necessarily competitive means of influence.

The support function was presented primarily from the point of view of a bureau's needs in budgetary politics. Interest groups can form an easily mobilized and stable source of political support for federal agencies. The main thrust of the support function is to demonstrate to members of the House Appropriations Committee that funds for an agency are well spent. Clientele groups provide feedback to the House Appropriations Committee concerning the appropriateness and adequacy of an agency's programs. The information function on the other hand was presented more in terms of the needs of the Members of the House Appropriations Committee itself. Given the constraints on the time and attention of these Members and the total volume of decisions to be made, interest groups serve as a simplifying device. By providing politically relevant information groups serve to sensitize Members of the House Appropriations Committee to particular needs that deserve budgetary support, to point out possible mistakes and so forth. Since the House Appropriations Committee is so strongly dependent on the documentation provided by agencies themselves any source of information independent of the agencies may constitute a simplification of the decision making task.

After an extensive reading of subcommittee hearings conducted to hear opinions of outside witnesses on appropriations bills these functional interpretations of the role of interest groups must be revised to a certain extent. In the first place, in view of the rather small numbers of witnesses at hearings that voiced an opinion about agencies
in themselves as opposed to the agencies' programs, very direct interpretations of the support function should be avoided. Very few witnesses of any kind expressed an opinion on anything other than budgetary items most directly concerning themselves. Most witnesses were mostly concerned with topics directly related to their own interests. The support function is only performed indirectly. Agencies that direct programs for which a large number of supporters testify at hearings for some extended time period will develop a reputation for strong clientele support among Members of the House Appropriations Committee. Although clientele groups do not often support the agency in any direct way the support function is performed indirectly by developing an image of strong support.

Similarly the operation of the information function should be reconsidered to a certain extent. Although the results of Chapter VI are based on material collected from hearings for the Army Corps of Engineers, some impressions gathered from a reading of the hearings of other subcommittees confirm the impressions based on the hearings for the Corps. In general few questions were addressed to witnesses by members of the subcommittees that attended the hearings. Very little probing into the information provided by one of the witnesses took place. Mostly members would listen to consecutive presentations with very few interruptions or comments. Second, as has already been observed, few of the presentations were cast in other terms than direct self interest. Witnesses tended to go directly to the core of their problems and request funding for certain budgetary items without
spending much time presenting elaborations or justifications for their requests. 2

Specifically with respect to the hearings of the Army Corps of Engineers the effect of the testimony of witnesses did not very often conform to the expectations formulated in Chapter III. For one thing, very few witnesses provided the Subcommittee on Public Works of the House Appropriations Committee with any information that had not been obtained from the Army Corps itself. These witnesses did not supply the Subcommittee on Public Works with any information that was different from that supplied by the Corps. Second, decision making did not have an effect on the level that was hypothesized as most relevant, decisions on individual projects. Only when testimony was aggregated by state was a significant impact observable. At the state level the impact of testimony does not conform to the information function as described in Chapter III. 3

Very direct interpretation of the information function should therefore be avoided. Groups do not very often provide subcommittees of the House Appropriations Committee with information on the technical aspects of the projects they deal with. Within the framework of incrementalism decision making on the budget was described as concerning marginal revisions of current policy. Groups were hypothesized to aid revisions of prior decisions by alerting the decision makers to possibly damaging results of marginal changes in current policy. The impression obtained from the hearings is that groups fit into the incremental process itself. Rather than serving as indicators signalling when incrementalism needs to be revised groups tend to support
items in the budget as they are presented to the House Appropriations Committee. In many cases groups will support appropriations items without mentioning any dollar amounts at all. The only times when groups performed alerting functions were when large cuts were proposed by the executive, which were deviations from incremental budgeting in themselves. Given the regularities of group behavior, and given the fact that many groups appeared year after year bearing the same kinds of messages, group behavior appears to fit into the incremental pattern of budgeting rather than acting as a check on incrementalism.

2 Many witnesses did elaborately document their cases of course. The intention here is only to indicate an overall tendency.

3 The same caveat as made in note 2 applies with respect to the Corps. In a limited number of cases witnesses supplied elaborate expert testimony that was totally independent of the recommendations of the Army Corps of Engineers.