Searching for Election Effects in US Policymaking and Spending

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Abstract

We explore patterns of spending by presidential administrations from 1948 to present to investigate the impact of elections as compared to changing environmental conditions and automatic changes associated with mandatory programs. Based on previous studies, we allocate federal spending programs to the two parties to see if presidents allocate more spending to those programs associated with their own party. We find few spending effects related to elections, in contrast to a long literature about party mandates and election effects. We further explore the robustness of these findings by looking at: a) different periods of a president's term (to test for learning or honeymoon effects); b) unified and divided government; c) only the largest budget increases and decreases within each presidency; and d) the overall size of government rather than individual spending categories. No matter how we consider the data, we find significant effects for mandatory spending, considerable evidence for governing, but surprisingly little effect for elections. We further look at congressional hearings, laws, and mentions in the State of the Union. Across the board, we find no evidence that government leaders focus attention on those issues supposedly "owned" by their party. No matter what the rhetoric of an electoral campaign, or the desire of a president to inflect spending to meet his partisan priorities, the imperatives of governing and the weight of mandatory programs explain the vast bulk of spending decisions in the US government.

Searching for Election Effects

We look at patterns of change in federal spending by Democratic and Republican presidents, asking if shifts in spending can be explained by partisanship.[1] The partisan theory (and the logic of responsible party government) would suggest that presidents would direct money to the established priorities of their party. On the other hand, automatic adjustments to mandatory spending programs are largely driven by demographic trends, and these may outweigh the partisan reallocations. Finally, spending could be related to the "alarmed discovery" of growing social problems or stochastic events outside of the control of the government, but to which Presidents of either party must respond. We look at approximately 60 spending categories from 1948 to 2010 and ask whether Democratic presidents allocated more to those programs associated with Democratic priorities as compare to those programs associated with Republican party or those with no particular partisan identity. We find strong support for the governance and demographic hypotheses and limited support for the electoral connection.

We then expand on this set of results to understand if the limited ability of Presidents to allocate money to their preferred programs carries into other areas of policymaking. We use the policy agendas project to look at hearings, laws, and statements in the State of the Union. Across the board, we find little to no evidence that Democrats focus on those topics associated with their party or that Republicans do so either. These patterns are also unrelated to patterns of divided versus unified control. In terms of the allocation of attention or budgets, it is hard to find support for a partisan hypothesis. Rather, we see consistent support for the impact of mandatory

spending and stochastic events on the budget, and simple governing responsibilities for the policymaking indicators. That is, presidents cannot simply ignore policy topics because they are "owned" by the rival party. The concept of issue-ownership may be dramatically overstated if it is understood as part of a strategic plan by government leaders to pick and choose the topics of their attention. Opposition figures and candidates for office may be able to focus only on those issues that make them look good, but sitting government officials have no such luxury.

Theoretical Expectations

Many reasons, including simple common sense, suggest that presidents should increase spending on those domains central to their party's commitments and be relatively less enthusiastic in spending on the priorities of the rival party. We review some expectations here before looking at the data.

Issue Ownership

Both conventional thought and formal literature support the notion that Democrats and Republicans produce ideologically distinct outcomes while in office. Scholarship that examines this phenomenon tends to focus on the concept of issue ownership – that Democrats and Republicans "own" certain issues that they focus on during campaigns, and then address once in office (Damore 2004; Petrocik, Benoit and Hansen 2003). For example, a traditional distinction arises with budgeting and the size of the federal government, with Republicans promoting spending cuts, while Democrats tend to favor larger government. Another traditional party division is between unemployment and inflation – with liberals favoring lower unemployment and conservatives lower inflation (Budge and Hofferbert 1990; Hibbs 1977).

While it is widely accepted that the issue ownership may drive party platforms and agendas, it is less clear that the two parties are actually successfully in implementing their policy

priorities. In their 1990 article, Budge and Hofferbert present findings that show a relationship between party platforms and government outputs. They conclude that "most federal spending priorities in the United States are quite closely linked to prior party platform emphases in the postwar period." This result is part of a long line of scholarship that purports to show a relationship between parties and government spending. Specifically, that liberal or Democratic governments spend more than conservative ones (Blais, Blake and Dion 1993; Cameron 1978; Lewis-Beck and Rice 1985; Berry and Lowery 1987; Swank 1988).

On the other side of the debate are scholars who doubt the existence of a clear link between party control and budget outcomes (Dye 1966; Wilensky 1975; Solano 1983; Garand 1988). These include Gary King and his colleagues, who replicate Ian Budge and Richard Hofferbert's 1990 article and question the original interpretation. King and Laver suggest that a more accurate reading of the results would indicate that party platforms actually have very small effects on government spending (King, Laver, Hofferbert, Budge and McDonald 1993).

The debate over whether Democrats and Republicans produce substantially different budget outcomes is fundamental to our understanding of politics and American government, and deserves a concrete answer. We hope to provide this by bringing new datasets and methods to bear in addressing an old question.

Divided Government

The idea that unification helps a party move its policy agenda through Congress is well supported in the congressional literature. The general form of the argument is that divided government imposes greater transaction costs on the majority party, which limit its productivity. In turn, majority parties under unified governments enjoy greater degrees of in-party cooperation

and institutional leverage than in divided governments, which afford them greater success in passing their legislative agenda (Cox and McCubbins 1991, Aldrich 1995, Coleman 1999).

Attempts to test theories that united government leads to more legislative successes for the majority party have centered around coding schemes that classify legislation as significant versus non-significant. This approach was pioneered by David Mayhew in his 1991 book *Divided We Govern*, in which he examines legislation between 1947 and 1990, and determines that legislation he deems significant is just as likely to be passed under divided government as it is unified (Mayhew 1991). This finding went against the conventional wisdom of the time, and Mayhew's congressional colleagues were quick to conduct their own studies testing Mayhew's results. In large part these studies confirm Mayhew's finding that united government does not appear to increase the amount of significant legislation the majority party passes (Fiorina 1996, Quirk and Nesmith 1995, Quirk and Nesmith 1994, Cameron 1997, Krehbiel 1996).

However, the findings of Mayhew and his congressional colleagues did not go unchallenged. Kelly (1993) leads this charge by suggesting that Mayhew's classification of significant versus non-significant legislation was faulty in that it accounts for legislation that only became significant over time. Using a stricter classification system, Kelly can show that united government does increase the amount of important legislation passed. Another new way of looking at the classification problem was proposed by Edwards, Barrett, and Peake (1997), who suggest that we should be looking at the number of important pieces of legislation that fail, rather than the number that pass. Using this strategy, Edwards et al. conclude that divided government drastically increases the probability that potentially important legislation will fail (Kelly 1993, Edwards, Barrett, and Peake 1997).

John Coleman (1999) offers a study of the comparative effects of united and divided governments that compares the classification strategies of previous scholars, and finds that united governments do increase the number of significant legislative enactments. He concludes: "In this article I have drawn on a range of conceptions of 'significant' legislation to see whether unified government is associated with the passage of more such enactments. The answer in most instances is 'yes' " (Coleman 1999).

The ongoing conflict in the congressional literature over the advantages of unified government leaves room for a fresh perspective to contribute to the debate. The institutional limitations literature can help provide this perspective by refocusing the debate to a macro level through the examination budgets, rather than specific legislative classification systems. By directing our attention to the federal budget - a critical and fundamental piece of the political landscape that is largely controlled by Congress - we can gain leverage on the effects of divided and unified control.

Presidental Term

A key component of majority party influence is the president's abilities to shape the legislative agenda. That presidents have such power, and make wide use of it, is widely accepted throughout the presidential literature (Eshbaugh-Soha 2005; Lockerbie, Borrelli, and Hedger 1998; Pfiffner 1988; Beckmann and Godfrey 2007; Light 1999; Neustadt 2001). In fact, the success or failure of a president is often judged by his ability to move key legislation through Congress. In their 2007 article Beckmann and Godfrey discuss the centrality of specific issues to presidents: "It is these precious few policy initiatives that become synonymous with the candidate and his campaign for the nation's highest office and then become his top priority once there."

Critical as it is, the ability of presidents to influence the legislative process is not thought to be constant throughout a presidential term, and an active debate has sprung up concerning the timing of presidential influence. For the most part, this debate centers around two competing theories – the honeymoon theory and the learning theory. Proponents of the honeymoon theory contend that presidents reach the height of their legislative influence during their first few months in office. It is during this period, when media and opposition criticism is low, that presidents can effectively proposition Congress to address the key policy initiatives referenced by Beckmann and Godfrey (Eshbaugh-Soha 2005; Lockerbie, Borrelli, and Hedger 1998; Pfiffner 1988; Beckmann and Godfrey 2007).

Advocates of the learning hypothesis maintain that new presidents are too inexperienced to effectively lobby Congress. They suggest that during the honeymoon period, presidents are so busy adjusting to the office that they cannot effectively focus on their policy agenda (Neustadt 2001; Light 1999). Paul Light (1999) goes so far as to develop a "cycle of increasing effectiveness" to explain how a president's legislative influence fluctuates over the course of a term. He concludes that as presidents and their staffs become more experienced at lobbying Congress, their effectiveness at shaping the substance of legislation will increase.

While Light and Neustadt maintain that the honeymoon is overrated when it comes to passing the president's agenda, other scholars contend that any legislative momentum presidents have gained during their tenure has died-out by the lame-duck period. This is particularly true of second-term presidents, who should see their legislative influence drastically reduced towards the conclusion of their second term (Grossman, Kumar, and Rourke 1998; Eshbaugh-Soha 2005; Light 1999). Ruling out both the honeymoon and lame-duck periods as legislatively inefficient, leaves the middle ground – years two through three, or two through seven for two-term

presidents – as the most fruitful when it comes to passing the president's agenda. We test these propositions below by looking at whether spending is more consistent with the president's party priorities in different years of his term in office.

Mandatory Spending

Government spending is driven not only by partisan choices but also by formulas that lead to increased spending on certain topics when more people are legally entitled to it. This "auto-pilot" spending is often criticized as making government difficult to manage. However, any analysis of spending shifts over time must take seriously the possibility that Congress and the President have effectively tied each other's hands by making large portions of the budget be automatic. Effectively, the impact of any such trends would be to render presidential control moot. Of course, Presidents and the Congress together have the authority to change the formulas used even in the case of mandatory spending programs. In any case, the growth of mandatory spending over time could be an important limiting element for any partisan control hypothesis.

Governance

Bryan Jones and Frank Baumgartner (2005) have discussed the overwhelming complexity of government and the need of governments, no matter what their partisan make-up, to respond to the rise of new issues. Increasing evidence from several countries suggests that shifts in spending priorities over time relate more to long-term trends in demographics (e.g., growth in pension spending) or to global / strategic issues (e.g., whether a country is at war) than to the free and open choice of newly elected officials on arrival in office. President G.W. Bush, a Republican, was in office when the financial crisis of 2007-8 occurred and therefore oversaw the largest intervention into the private economy in decades including taking over General Motors. Government take-overs of major corporations are hardly traditional parts of the Republican Party

platform, and the argument is not that leaders move purposefully against their platforms. Rather, the governance hypothesis is that "things happen" which often require responses against the ideological predispositions of those in power. If the course of economic and political life were more predictable, then parties would be better able to lay out a plan of how they would deal with new issues, and then implement those plans. But given the inherent surprises of public life, parties must adjust to what comes at them, often necessitating movements that would not be predicted by partisan ideology alone. (For more detail and examples relating to the governing hypothesis, see Sigelman and Buell 2004, Walgrave et al. 2009, Green Pedersen and Mortensen 2010, Baumgartner, Jones, and Wilkerson 2011.)

Results

We use data from the policy agendas project to provide straightforward tests of the possible partisan effects on spending and government action. A key element is to classify policy domains and spending categories by party. We rely as much as possible on published studies to do so but the general idea is that Democrats are associated with health, education, and other domestic social services whereas Republicans "own" defense, crime-fighting, and certain other issues. Once the issues are assigned to the parties, then it is straightforward to determine if control of government is related to attention or spending on those issues.

Partisan Effects on Spending

Table 1 shows our classification of spending as Democratic, Republican, or Neutral. In the 2008 budget year, which we use for illustration, 62 percent of the spending aligns with what are called Democratic priorities, 21 percent Republican, with the remainder unallocated to either party.

(Insert Table 1 about here)

Figure 1 shows percentage changes for FY 1955. The bars represent percentage changes across the 62 categories of spending, making clear that significant reallocations were the rule, not the exception, under President Eisenhower.

(Insert Figure 1 about here)

Our question, then is empirically very simple. If we compare each annual allocation, and consider whether Democratic presidents are more likely to give larger increases to those spending categories claimed by their party and to cut relatively heavily from those categories associated with the rival party, then we have support for the electoral connection. We can call a spending change "consistent" if it increases spending more than the annual average to a spending category associated with the president's party, or if it increases less than the annual average (or cuts spending) to those categories associated with the rival party. "Inconsistent" budget changes would be (relative) cuts to one's own party priorities or relatively great increases in those categories associated with the rival party. As about 20 percent of the budget is unallocated by party, some changes may also be deemed "neutral." So we simply want to know what percentage of the budget changes are neutral, consistent, and inconsistent.[2]

Figure 2a shows a hypothetical distribution of budget changes for those parts of the budget associated with the Democratic Party. It represents the mean budget change for those items identified in Table 1 as Democratic spending categories under Democratic and Republican

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[2] We are interested in relative allocations and therefore our measure of consistent, inconsistent, and neutral allocations is the percent change for a given program minus the overall growth rate of the budget that year. So if a category shows a 3 percent increase but the budget has 5 percent overall growth in that year, we count this as - 2, reflecting a relative allocation of funds away from that budget category. This is an important adjustment to the data as each year has a different overall growth rate.

presidents.[3] Of course, we expect that Democrats will increase spending to these topics and Republicans will cut it. Figure 2b shows the data.

(Insert Figure 2 about here)

Figure 2b shows that, across the 40 budget categories classified as Democratic priorities, Democrats actually cut more than they increased and Republicans increased more than they cut; we observe 46 inconsistent budget changes and only 34 consistent ones. Figure 3 shows the same presentation for the 16 budget categories classified as Republican priorities.

(Insert Figure 3 about here)

In this case we see 17 consistent shifts and 15 inconsistent ones. Clearly, the fact of having a co-partisan in the White House does little to guarantee that federal spending will be shifted toward the priorities of the party. The numbers in Figures 2 and 3 represent averages across many years; table 2 shows how many individual changes were consistent and inconsistent, making clear that the averages by party presented in the figures above are good summary indicators of the general trends.

Table 2 shows the number of consistent, inconsistent, and neutral budget changes and controls for the impact of divided government on spending consistency. During periods of divided control, the need for cross-party compromise might lead to greater ambiguity in spending. The table shows there is some effect of unified government though the impact is extremely modest.

(Insert Table 2 about here)

Across more than 3,600 observed spending changes from 1947 to 2008, 24 percent of the changes are consistent with party, 24 percent inconsistent, and 52 percent neutral with respect to

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[3] We simply assign a value with random fluctuations around a positive mean to simulate spending consistent with partisanship in Figures 2a and 3a.

party. During divided government, the percent consistent is 23, and this rises to 27 under unified government, and to 28 percent in those rare periods when a President enjoys not only control of the two chambers of Congress but also a filibuster-proof majority in the Senate. In these unusual circumstances, spending changes are 28 percent consistent, 21 percent inconsistent, and 51 percent neutral.

Figure 4 addresses the question of whether there is a learning or honeymoon effect for the president. The idea would be that president's might be better able to allocate the budget to their party's priorities either during the honeymoon period when perhaps they benefit from greater deference, or that they might become increasingly effective over time.

(Insert Figure 4 about here)

The top part of Figure 4 shows the number of consistent, neutral, and inconsistent spending changes for each of a possible eight years of a presidency. Because there are fewer observations over the years, especially for years five through eight, the bottom part of the figure presents the same data in a format that sums to 100 percent for each year. This figure makes very clear the absolute lack of any change over time. Presidents are consistently, not just temporarily, unable to reallocate funds to their presumed priorities based on party.

The consistent pattern of no discernible partisan effects on patterns of public spending is striking. One possible explanation for this is that spending may be affected by long-term demographic trends or by period effects that transcend individual presidencies. We look at this possibility next.

The Evolution of Spending Over Time
Figure 5 shows a potential explanation of the puzzle presented by the lack of partisan effects on spending shown in the previous section. Taking the partisan classifications of each spending

category from Table 1, the Figure shows the percent of the budget that is represented by

Democratic and Republican priorities.[4]

<center>(Insert Figure 5 about here)</center>

Table 1 made clear that in 2008 the budget consisted of 62 percent Democratic priorities,

21 percent Republican, and 17 percent neutral or unallocated. Figure 5 shows how the budget

evolved. In the early period, in particular with the Korean War, spending on defense increased

the Republican-oriented spending categories to over 60 percent of the total. From the 1950s to

present, however, the figure makes clear that spending on what are termed Democratic priorities

has increased in almost every year. One exception to this trend was the period from

approximately 1975 through the early 1980s when spending on Democratic priorities stopped its

steady growth and even declined slightly. Note that a Democrat was in office during much of

this time. The vertical lines in the figure mark the arrival of Democratic (solid line) and

Republican presidents (dotted line). The spending data are lagged by one year so that if newly

elected presidents were indeed reallocating to their party's priorities this should be visible in an

inflection in the trends immediately after the election. Rather than this, we see powerful secular

trends. Defense spending declines as a percent of total spending and Medicare and Social

Security spending increase. However, the patterns observed here of no inflections associated

with Presidential control and a long-term trend in favor of the Democrats are replicated when we

omit Social Security and Medicare spending from the results above, and similarly for

Republicans if we omit Defense spending (see Appendix A for robustness checks and a

regression showing no partisan effects on spending).

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[4] (Neutral spending is omitted but can be calculated by subtracting the sum of the two series from 100.)

We see similar patterns when we look at overall spending. Figure 6 represents the percentage change in the entire federal budget from year to year, with the vertical lines representing the first year of Democratic (solid) and Republican (dashed) presidencies. Figure 6 shows that changes in the total budget are not the result of changes in the government. Very few of the changes are larger than 10% in either direction after the end of the Korean War, with changes for the most part remaining generally positive without regard for changes in the party holding the Presidency. Further, a regression shows that there are no systematic inflections associated with Republican versus Democratic control.

(Insert Figure 6 about here)

The results of four OLS regressions on the change in the budget using party effects and various control variables can be seen in Table 3. The main dependent variable in each regression is yearly percent change on the total spending as seen in Figure 6. We use a series of variables to test the robustness of our claim that the presence of a President from a specific party does not affect increases and decreases in spending. These include dummy variables for the presence of a Republican President, the presence of united versus divided government (coded as a dummy variable with divided government having a score of one), policy mood data for the years 1952-2008 from Stimson (1999), and GDP (coded in trillions of inflation-adjusted dollars). The results of these regressions can be found in Table 3.

(Insert Table 3 about here)

The results in Table 3 show no significant effects for the presence of a President of one party over another. The President variable is non-significant in all four specifications of the model, including the model where it is the only covariate tested. Of the other variables, only the effect of policy mood is significant in both models where it appears. Clearly, demographic

trends and long-term period effects are more important than the arrival and departure of individual presidents from office in explaining trends in federal spending.

We can extend our analysis of spending priorities and gain some insights into the process by looking beyond spending to consider some preliminary stages of the policy process. If presidents cannot reallocate spending, are they able to affect other congressional and executive processes? We look at congressional hearings, the passage of laws, and the State of the Union.

Hearings, Laws, and State of the Union Mentions

One reason for the lack of partisan effects on the budget may be that presidents and congressional budget makers are responding to the crush of evolving circumstances as they devise each annual budget. We know from the previous section that long-term effects have a big influence on spending priorities; as demographic shifts evolve, wars are initiated or come to an end, these all have inevitable effects on spending. In fact, they affect all aspects of the government including the allocation of attention to different topics. We use policy agendas project data in this section and allocate the 19 major topics by party in the same manner as we did for the budget in Table 1. Table 4 shows how many congressional hearings are held on those topics allocated to Democrats and Republicans, by control of government, and Table 5 shows the same for bill referral hearings only.

(Insert Table 4 about here)

(Insert Table 5 about here)

The vast majority of congressional hearings are on topics considered neutral by partisanship. The percent Democratic of all hearings is close to 17 when there is a Democratic president, no matter if there is divided or unified control of government. When Republicans control the White House, we see approximately 20 percent Democratic topics for the hearings

and there is again no effect for divided government. Looking only at referral hearings, there are similarly negative results.

Looking at the passage of laws, Table 6 shows numbers passed in those areas deemed Democratic, Republican, and neutral.

(Insert Table 6 about here)

The table shows a pattern similar to the previous analysis, with little effect of unified government and a puzzling inversion of priorities. If anything, Republican presidents are slightly more likely to legislate in areas traditionally associated with Democrats, especially during unified control. These effects are modest, however. For the most part, we see little effect of partisanship on the areas in which legislation occurs.

Table 7 considers an area where one might imagine that the President would have complete control: The State of the Union.

(Insert Table 7 about here)

Democratic presidents tend to allocate their mentions in the State of the Union relatively equally across the partisan breakdown of policy topics. Under divided government, they are somewhat more likely to focus on traditional Democratic topics, but again the differences are modest. Republican presidents address similar topics overall, but when they enjoy unified government they appear significantly more likely to address traditional Democratic topics. In all, these findings are more puzzling than revealing of powerful partisan effects. Most likely, trends over time, period effects, and the need to address topics that are in the headlines are more important than strategic calculations of choosing topics of discussion to ensure partisan advantage. If that is the strategy then we can say presidents are not very good at implementing it.

Discussion

Our search for election effects began with the federal budget and progressed through the government's agenda, from hearings, to laws, to State of the Union addresses. Throughout, we paid particular attention to theories concerning the role of presidents in setting the agenda, the importance of party unity, and the significance of party ownership of certain issues. In every instance, we found that election effects are either nonexistent or extremely modest. Conventional ideas about the priorities of the Democratic and Republican parties have almost no bearing to the results we present. This is the case even under the most favorable conditions, such as during unified government or the State of the Union address, when the party of the president should have greater flexibility to allocate attention and money toward its priorities.

We find evidence of the overwhelming effects of mandatory spending and situational context on the government's agenda. Together, these factors explain a great deal of government spending. When the country is at war, Democratic and Republican presidents alike increase spending on defense. As the population grows older, presidents of both parties oversee increasingly large allocations towards Social Security and Medicare. With so much of the agenda space already spoken for, presidents find that their priorities must often be shelved until the demands of current events subside. The end result is that the government's agenda appears, on the one hand, highly resistant to electoral effects, and on the other, very susceptible to the pull of mandatory spending and the crush of current events.

We do not suggest that there is no difference between electing a president from one party rather than the other. Recently, the two parties have never looked further apart, and there are many ways, subtle and otherwise, that presidents leave their mark on the country. However, our findings do indicate that traditional ways of thinking about the parties and their priorities may be

overblown. Predominantly, the agenda is set, not by parties or presidents, but by long-term financial commitments and stochastic events.

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Appendix A. Robustness Checks on Democratic and Republican Priorities

Table 1 presented a partisan classification of spending categories, and Figure 5 showed how this

evolves over time. Here we show two elements of robustness: A stricter definition of

partisanship, and eliminating Social Security and Medicare from the analysis. Neither makes a

substantial effect on the results.

Table 1 showed the partisan classification of spending. We allocated some categories to

the Democratic Party which were not explicitly linked to a citation in the literature. Figure A-1

shows the difference in percent Democratic if we use our expanded measure or a stricter measure

which counts as neutral any of those categories assigned to the Democrats by us but not based on

a citation. Figure A-2 shows the same for the Republican spending categories. The high

correlations in both series make clear that our results do not hinge on minor classification issues.

(Insert Figure A-1 about here)

(Insert Figure A-2 about here)

Our second robustness check involves mandatory spending. When we look only at

domestic discretionary spending, virtually all of what are coded as Republican priorities

disappear from the analysis (see Table 1). However, we can do a simpler check by eliminating

the two largest programs, Social Security and Medicare. Figure A-3 shows the data presented in

Figure 5 in the text with those programs eliminated.

(Insert Figure A-3 about here)

The trends in Figure A.3 differ slightly from those presented in Figure 5. Democratic

spending continues to increase into the 1960s, but unlike the original graph, the spending

plateaus and moves up and down from about the 1970s until the present, with Republican

spending outperforming Democratic spending during the 1980s.

To complement our testing on the changes in budget focus over time, we also ran OLS regression on the change in the percent of Republican and Democratic spending. This model tested the effects of having a President of a specific party in office, as well as a shock variable for the first year of office, along with controls for divided government and policy mood. The model is below:

Change in % Party Spending = β_0 + β_1 * Party of President + β_2 * First Year of Party

Presidency + β_3 * Divided Government + β_4 * Policy Mood + e

In the model, Party of President is a dummy variable coded 1 for years when the party associated with the spending tested is in the Presidency, and 0 otherwise. First Year of Party Presidency is a dummy variable coded 1 for the change in Presidential party to the party whose spending is being tested, and zero otherwise. Divided government is a dummy, coded 1 when either House of Congress is held by the opposing party. Finally, policy mood is the first dimension of the policy mood series as created by Stimson (1999). The policy mood measure is scaled 0 to 100, with larger numbers representing larger levels of policy mood liberalism. The results are in Table A-1; Table A-2 shows similar results while excluding Social Security and Medicare from the analysis.

(Insert Table A-1 about here)

(Insert Table A-1 about here)

The results show that there are no significant effects from the presence of a Democratic or Republican President on spending, and there are no effects from the first year change in party. The variables for party and party change also all move in the negative direction. Furthermore, divided government shows no significance. The mood variable, while not significant at 0.05, does move in the correct direction for both Democratic and Republican spending, with the

Democratic coefficient positive and the Republican coefficient negative. The results for the regression without Medicare and Social Security show similar directions and lack of significance for the party variables. The mood variable is not significant, but in the correct direction, for changes in Democratic percent of spending. However, mood is significant and negative for Republican spending, in line with expectations that policy mood has an effect on the budget for changes in Republican spending.

Tables and Figures

Table 1. Party Ownership by OMB Subfunctions

Category	FY Spending 2008 ($Billions)	Spending Type	Coding
Military Personnel	139.03	Defense	Republican[A]
DOD - Operation and Maintenance	256.21	Defense	Republican[A]
DOD - Procurement	164.99	Defense	Republican[A]
DOD - Research and Development	79.56	Defense	Republican[A]
DOD - Military Construction	22.06	Defense	Republican[A]
DOD - Family Housing	2.91	Defense	Republican[A]
DOD - Other	9.92	Defense	Republican[A]
Atomic Energy Defense Activities	16.63	Defense	Republican[A]
Defense-related Activities	4.91	Defense	Republican[A]
Federal Law Enforcement Activities	26.95	Discretionary	Republican[B]
Federal Litigative and Judicial Activities	11.89	Discretionary	Republican[B]
Federal Correctional Activities	6.74	Discretionary	Republican[B]
Criminal Justice Assistance	3.51	Discretionary	Republican[B]
Emergency Energy Preparedness	0.19	Discretionary	Republican
Republican Total	**745.50 (20.69% of All Spending)**		
Farm Income Stabilization	12.84	Mandatory	Democrat[B]
Agricultural Research and Services	4.60	Discretionary	Democrat[B]
Elementary, Secondary, and Vocational Education	37.21	Discretionary	Democrat[B]
Higher Education	24.62	Mandatory	Democrat[B]
Research and General Education Aids	3.36	Discretionary	Democrat[B]
Training and Employment	7.31	Discretionary	Democrat[C]
Other Labor Services	1.53	Discretionary	Democrat[B]
Social Services	17.31	Discretionary	Democrat[B]
Health Care Services	251.67	Mandatory	Democrat[D]
Health Research and Training	30.19	Discretionary	Democrat[D]
Consumer and Occupation Health and Safety	3.43	Discretionary	Democrat[B]
General Retirement and Disability Insurance	7.54	Mandatory	Democrat[B]
Federal Employee Retirement and Disability	110.90	Mandatory	Democrat[B]
Unemployment Compensation	45.63	Mandatory	Democrat[E]
Housing Assistance	35.29	Discretionary	Democrat[B]
Food and Nutrition Assistance	60.79	Mandatory	Democrat[B]
Other Income Security	166.00	Mandatory	Democrat[B]

Social Security	802.82	Mandatory	Democrat[A]
Medicare	422.18	Mandatory	Democrat[B]
Energy Information, Policy and Regulation	0.57	Discretionary	Democrat
Energy Conservation	1.23	Discretionary	Democrat
General Science and Basic Research	11.10	Discretionary	Democrat
Space Flight, Research, and Supporting Activities	16.58	Discretionary	Democrat
Water Resources	10.90	Discretionary	Democrat
Conservation and Land Management	9.58	Discretionary	Democrat
Recreational Resources	3.41	Discretionary	Democrat
Pollution Control and Abatement	7.55	Discretionary	Democrat
Other Natural Resources	5.75	Discretionary	Democrat
Ground Transportation	52.57	Discretionary	Democrat
Air Transportation	19.77	Discretionary	Democrat
Water Transportation	8.78	Discretionary	Democrat
Other Transportation	0.35	Discretionary	Democrat
Community Development	18.50	Discretionary	Democrat
Area and Regional Development	3.11	Discretionary	Democrat
Legislative Functions	3.62	Discretionary	Democrat
Executive Direction and Management	0.50	Discretionary	Democrat
Central Fiscal Operations	11.44	Discretionary	Democrat
General Property and Records Management	4.05	Discretionary	Democrat
Central Personnel Management	0.19	Discretionary	Democrat
General Purpose Fiscal Assistance	4.05	Discretionary	Democrat
Other General Government	1.48	Discretionary	Democrat
Democratic Total	**2,240.30 (62.20% of All Spending)**		
Conduct of Foreign Affairs	12.08	Defense	-
International Development and Humanitarian Assistance	17.69	Defense	-
International Security Assistance	10.54	Defense	-
Foreign Information and Exchange Activities	1.25	Defense	-
Income Security for Veterans	42.30	Mandatory	-
Veterans Education, Training, and Rehabilitation	2.82	Mandatory	-
Veterans Medical Care	39.05	Discretionary	-
Other Veterans Benefits and Services	4.57	Discretionary	-
Disaster Relief and Insurance	19.89	Discretionary	-

Other Advancement of Commerce	14.40	Discretionary	-
Interest on the Public Debt	451.14	Mandatory	-
Neutral Total	**615.73 (17.09% of All Spending)**		
Total All Spending	**3,601.53**		

Citation A = Sigelman and Buell 2004; Petrocik et. al. 2003; Damore 2004
Citation B = Petrocik et. al. 2003; Damore 2004
Citation C = Hibbs 1977
Citation D = Sigelman and Buell 2004
Citation E = Hibbs 1977; Petrocik et. a. 2003; Damore 2004[5]

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[5] We expand on the literature in classifying some budget items as either Democratic or Republican. These items are labeled under the right-most "Coding" column, but lack a citation reference. We have run our analysis using only the coding from the literature and find that our results do not differ substantially from our expanded coding results, which are presented forthwith.

Table 2. Spending consistency by party control, 1947-2008

Government	N	% Consistent	% Inconsistent	% Neutral
	All Spending			
Total	3,660	24.23	24.26	51.50
Divided	2,115	23.02	26.81	51.15
Unified	1,545	26.88	22.13	51.97
Unified and filibuster proof	625	27.84	20.80	51.36
	Extreme Spending Changes Only			
Total	749	20.56	22.02	57.40
Divided	426	18.54	21.59	59.85
Unified	323	23.21	22.60	54.17
Unified and filibuster proof	138	27.53	19.56	52.89

Note: Extreme changes are those in the highest and lowest 10 percent of the distribution in each year.

Table 3. Models of Election Effects on Total Spending

	Model 1 Coef (SE)	Model 2 Coef (SE)	Model 3 Coef (SE)	Model 4 Coef (SE)
Intercept	6.20 (1.91)*	6.16 (2.11)*	-16.02 (8.66)	-22.75 (10.15)
GOP President	-2.98 (2.52)	-3.05 (2.86)	-1.66 (1.66)	-1.74 (1.65)
Divided Gov	-	0.14 (2.86)	2.38 (1.67)	2.18 (1.67)
Mood	-	-	0.32 (0.15)*	0.41 (0.16)*
GDP (Trillions)	-	-	-	0.26 (0.21)
N	61	61	57	57
R^2	0.02	0.02	0.14	0.16
F	1.41 (0.24)	0.69 (0.50)	2.81 (0.05)	2.530.05)

* = $p < 0.05$, two tailed test.

Table 4. Percentage of hearings on Democratic, Republican, and neutral topics by party control

Divided or Unified Government	N	% Democratic	% Neutral	% Republican
Democratic President				
Total	35,349	17.23	67.54	15.23
Divided	12,916	17.56	67.02	15.41
Unified	22,433	17.04	67.84	15.12
Unified and filibuster proof	11,893	16.72	69.90	13.38
Republican President				
Total	51,780	20.61	64.40	14.97
Divided	45,910	20.70	64.70	14.59
Unified	5,870	19.97	62.06	17.97
Unified and filibuster proof	-	-	-	-

Table 5. Percentage of referral hearings on Democratic, Republican, and neutral topics by party control

Divided or Unified Government	N	% Democratic	% Neutral	% Republican
Democratic President				
Total	16,088	13.68	69.57	16.75
Divided	4,928	11.79	70.58	17.63
Unified	11,160	14.52	69.12	16.36
Unified and filibuster proof	6,585	15.03	71.66	13.30
Republican President				
Total	18,453	17.64	67.85	14.51
Divided	17,716	17.44	68.04	14.52
Unified	737	22.39	63.36	14.25
Unified and filibuster proof	-	-	-	-

Table 6. Percentage of laws on Democratic, Republican, and neutral topics by party control.

Divided or Unified Government	N	% Democratic	% Neutral	% Republican
Democratic President				
Total	7,861	9.88	73.40	16.72
Divided	2,815	8.56	75.91	15.52
Unified	5,046	10.62	72.00	17.38
Unified and filibuster proof	3,374	10.46	72.53	17.01
Republican President				
Total	11,353	14.88	70.99	14.14
Divided	10,337	14.92	70.39	14.69
Unified	1,016	14.47	77.07	8.46
Unified and filibuster proof	-	-	-	-

Table 7. State of the Union mentions of Democratic, Republican, and neutral topics by party control

Divided or Unified Government	N	% Democratic	% Neutral	% Republican
Democratic President				
Total	8,235	22.96	58.06	18.98
Divided	3,217	28.54	53.22	18.25
Unified	5,018	19.39	61.16	19.45
Unified and filibuster proof	2,037	15.37	61.86	22.78
Republican President				
Total	6,676	18.72	61.19	20.09
Divided	6,215	17.46	62.57	19.97
Unified	461	35.79	42.52	21.69
Unified and filibuster proof	-	-	-	-

Table A-1. A Model of Election Effects on Partisan Spending Priorities.

Variable	Model 1: Democratic Coefficient (SE)	Model 2: Republican Coefficient (SE)
Intercept	-3.53 (5.26)	6.15 (3.77)
Democratic President	-0.91 (0.94)	
Republican President		-0.72 (0.66)
Party Change	-1.48 (1.33)	-2.42 (2.48)
Divided Government	-0.67 (1.03)	0.49 (0.85)
Mood	0.09 (0.08)	-0.12 (0.07)
N	57	57
R^2	.07	.11

Table A-2. A Model of Election Effects on Partisan Spending Priorities with Medicare and Social Security Spending Excluded.

Variable	Model 1: Democratic Coefficient (SE)	Model 2: Republican Coefficient (SE)
Intercept	-5.57 (5.02)	7.69 (3.66)
Democratic President	-0.76 (0.96)	
Republican President		-0.59 (0.79)
Party Change	-1.03 (1.21)	-1.92 (2.46)
Divided Government	0.23 (1.05)	-0.35 (0.91)
Mood	0.11 (0.07)	-0.13 (0.06)
N	57	57
R^2	.07	.11

Figure 1. Percent Change for OMB Subfunctions in Fiscal Year 1955

Percent Changes for OMB Subfunctions in FY1955
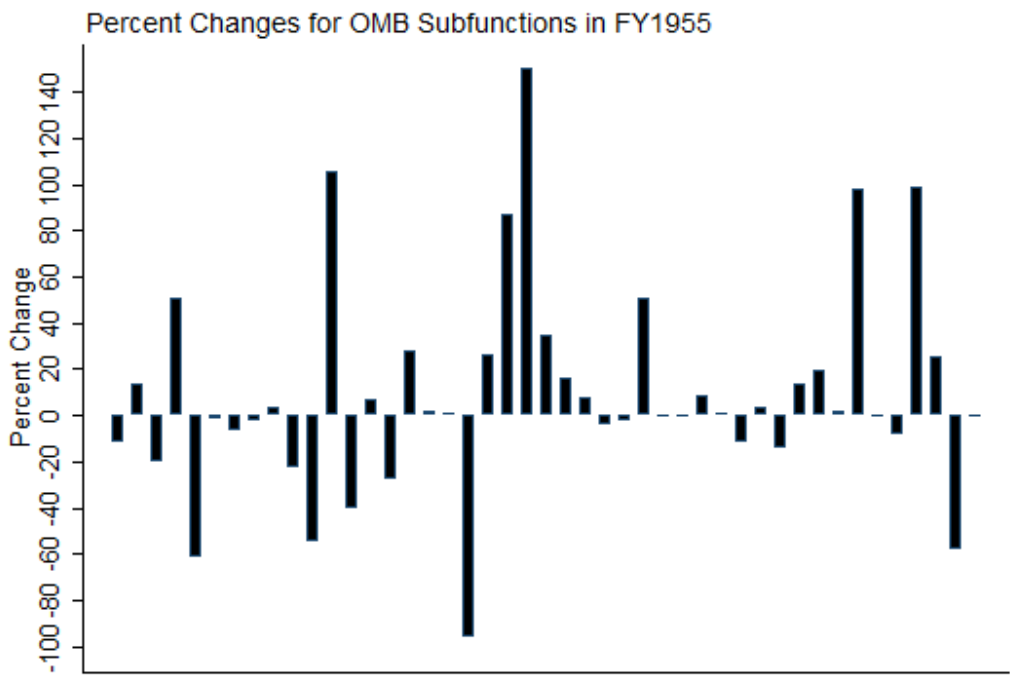
Figure 2. Expected and Observed Spending Changes for Democratic Spending Categories.
A. Hypothetical.
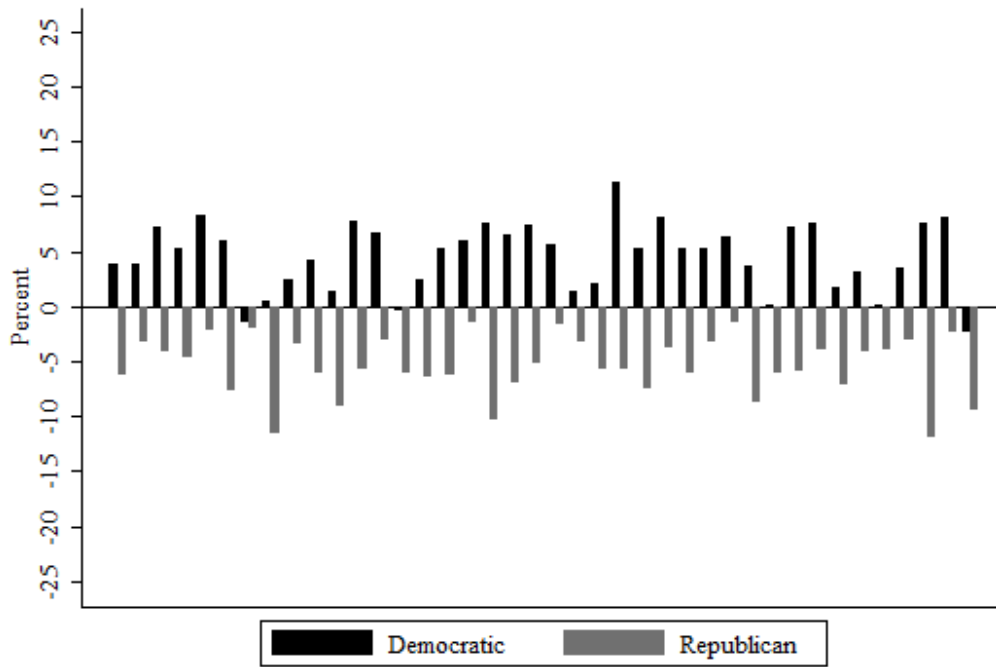
B. Observed.

.
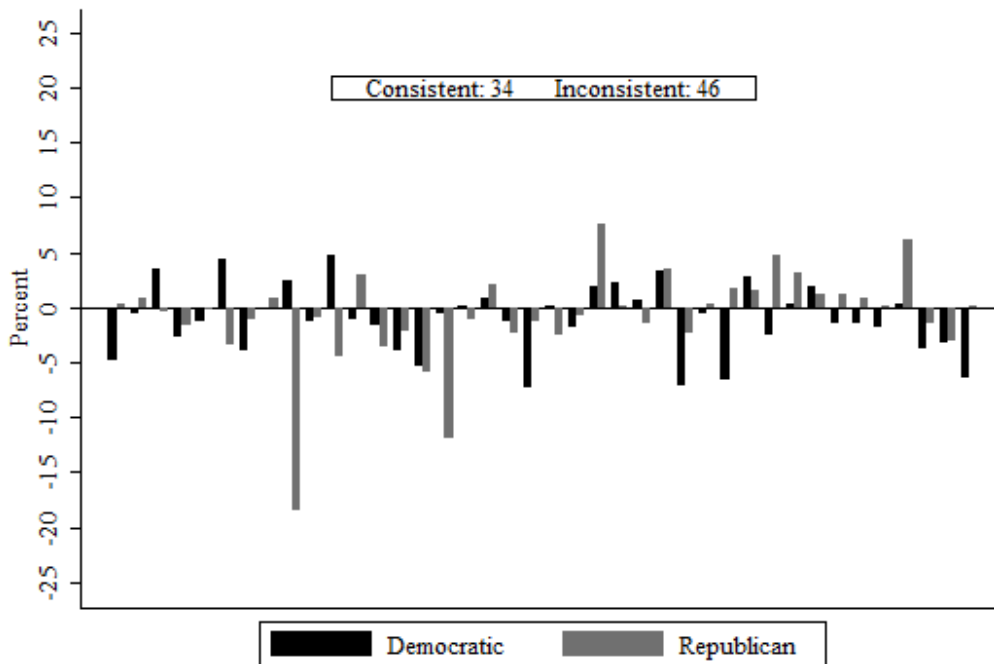
Figure 3. Expected and Observed Spending Changes for Republican Spending Categories.

A. Hypothetical.
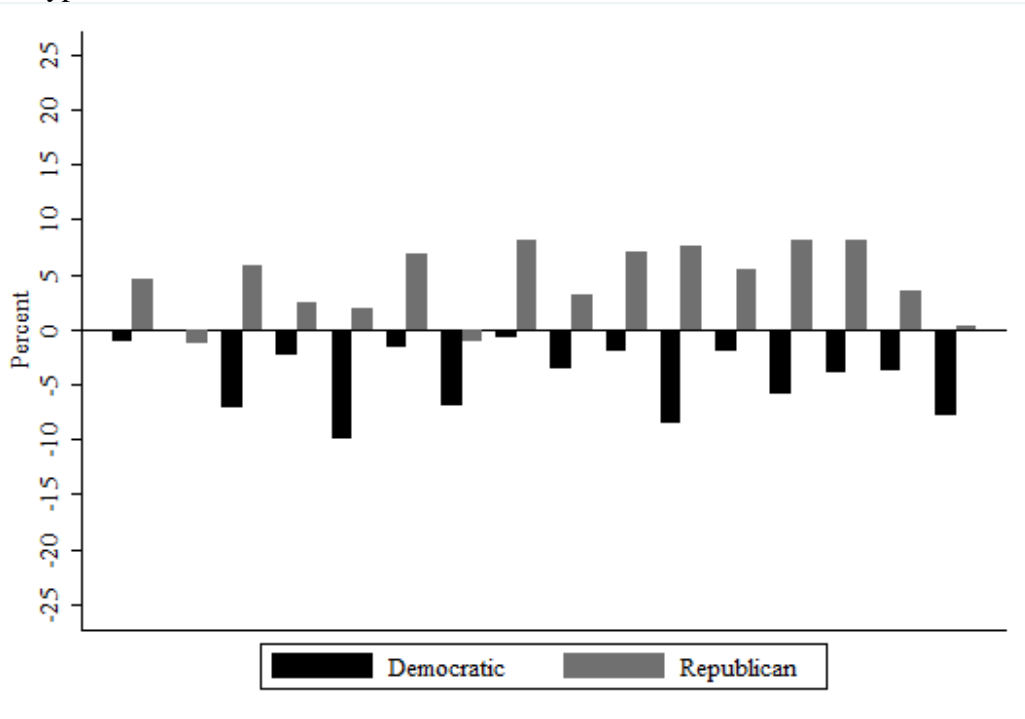
B. Observed.
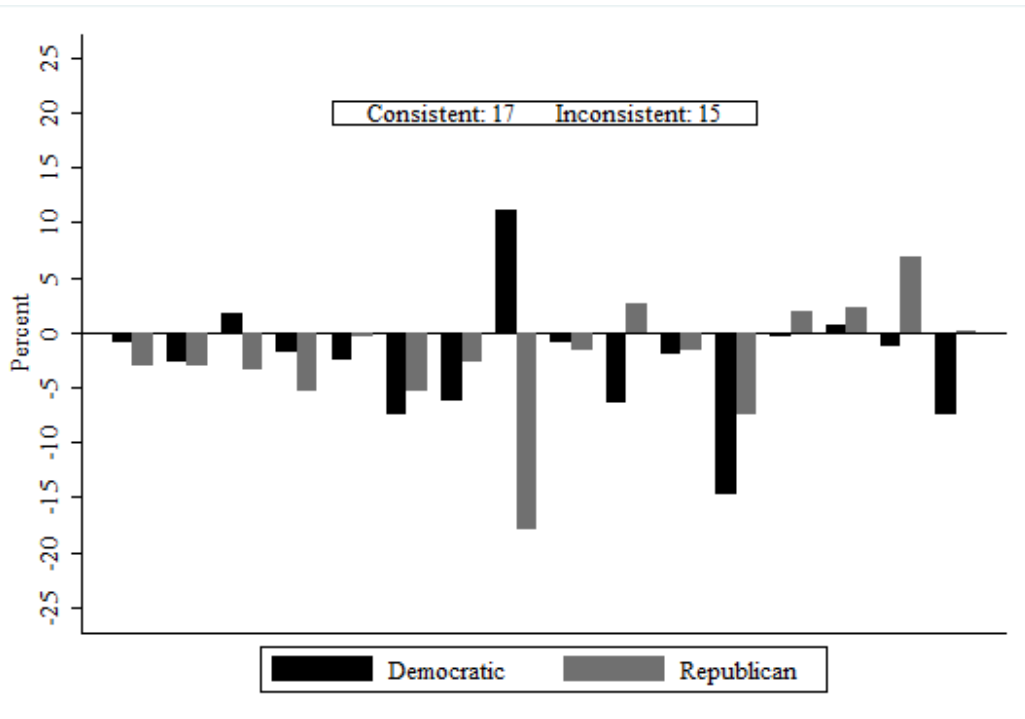
Figure 4. Consistent and Inconsistent Spending Shifts by Year of Presidency.
 A. Number of Changes
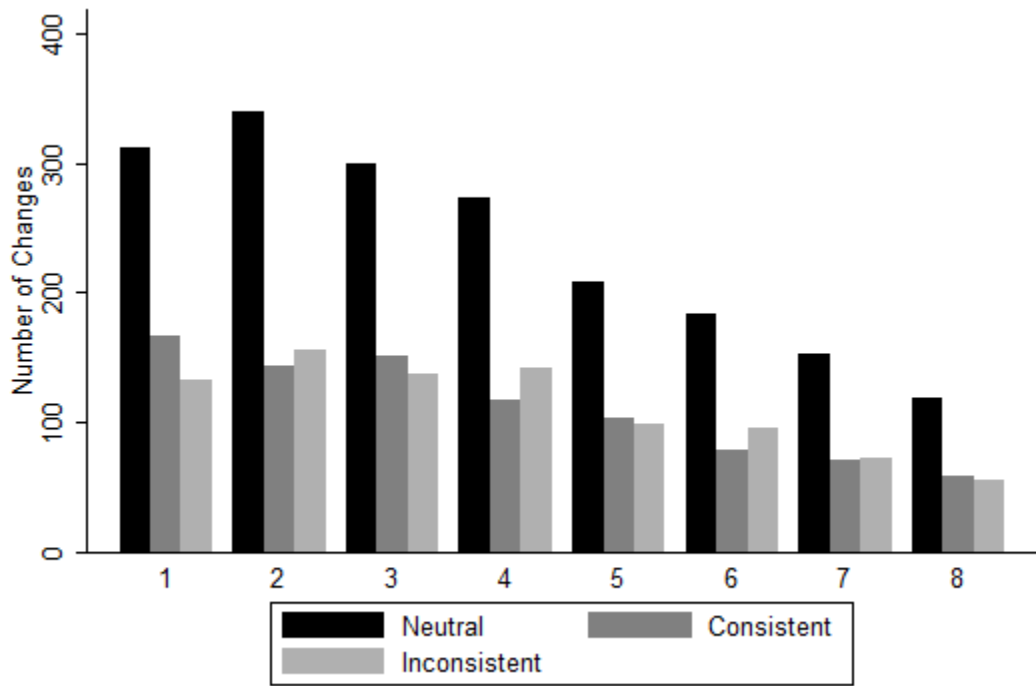
 B. Percent of Changes in each year of a Presidency
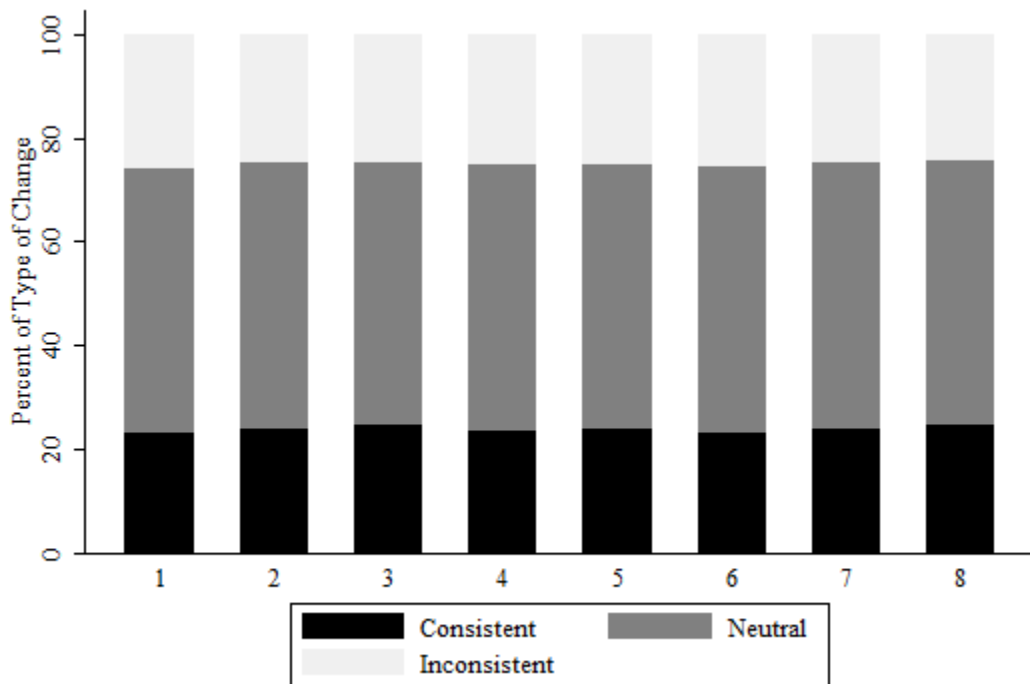
Figure 5. US Federal Spending over time.
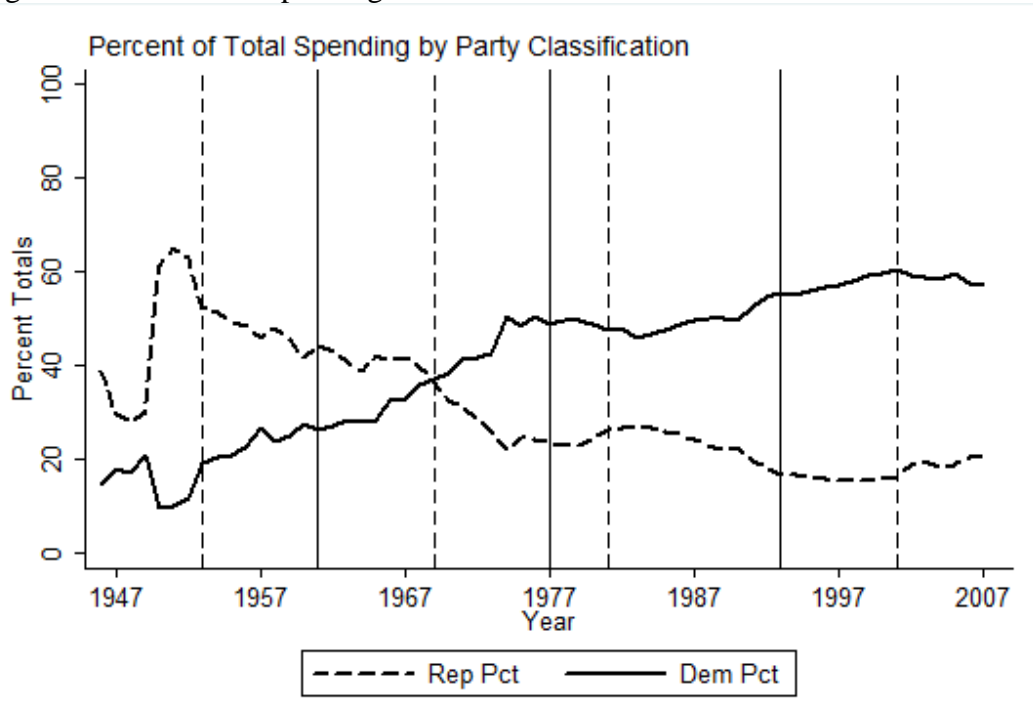
Note: See Table 1 for the classification of OMB spending categories by party. The figure omits "Neutral" spending. Solid vertical lines represent the arrival of a Democratic president; dashed vertical lines, a Republican President. Budget data are lagged two years so that the effect of a newly arrived president should be visible in the year immediately following the election.

Figure 6. Total U.S. Budget Spending over time.
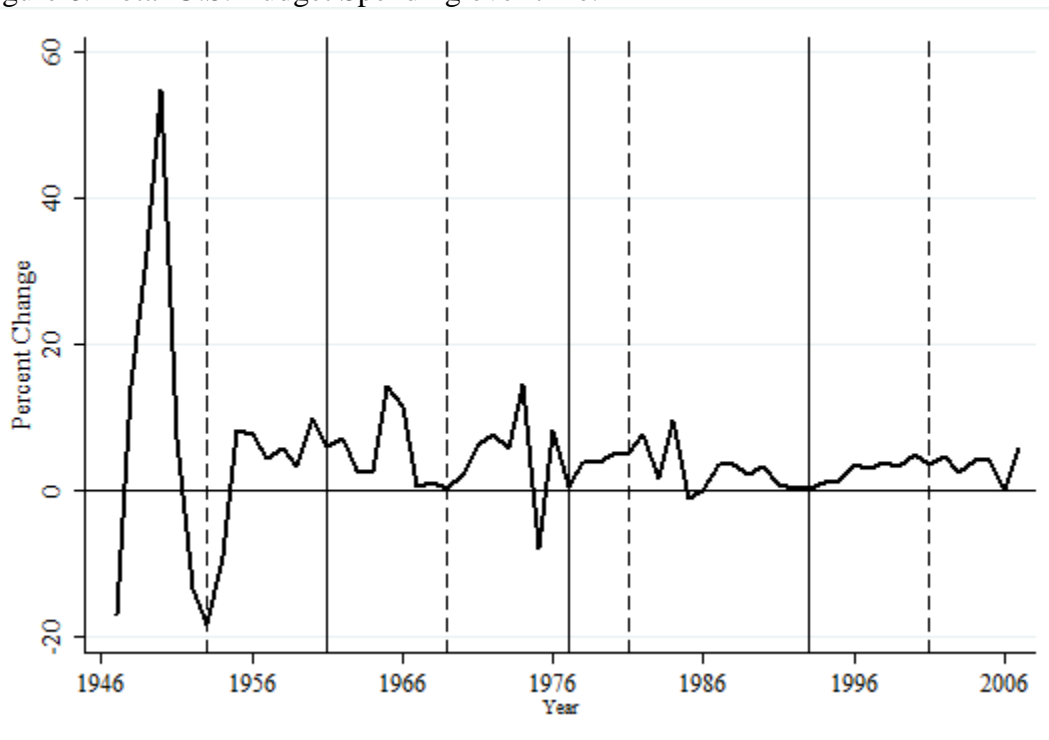
Note: The figure shows percent growth in the federal budget, adjusted for inflation. Solid verticle lines show the arrival of a Democratic president and sold dashed lines show the arrival of a Republican president. Budgets are lagged one year so that election effects would be visible in the year immediately following the arrival of a new president.

Figure A-1. "Strict" and "Generous" definitions of Democratic Spending.
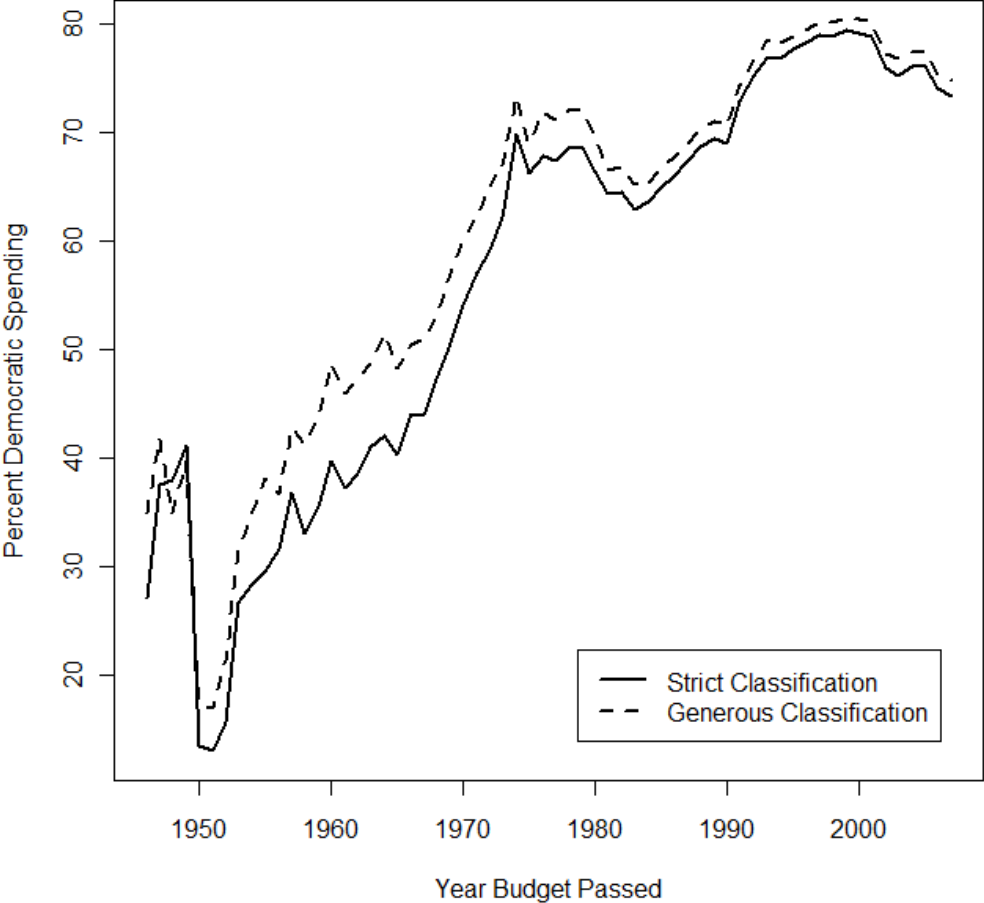
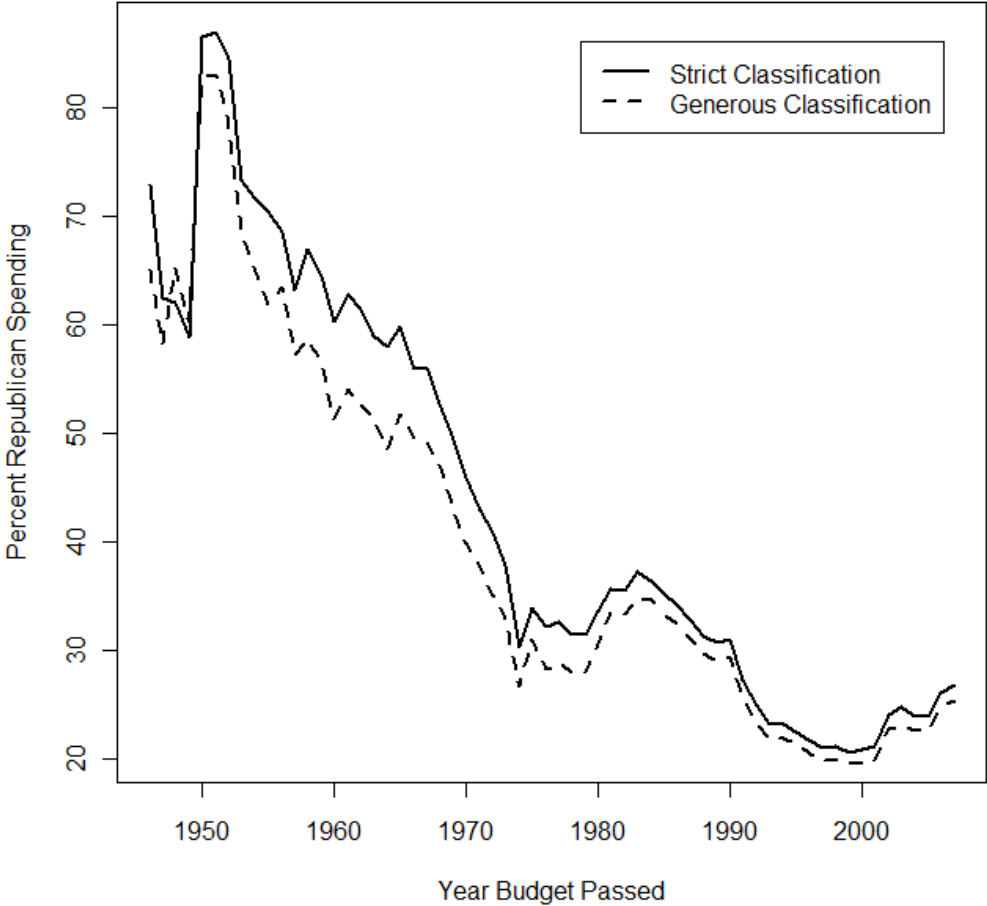Figure A-2. "Strict" and "Generous" definitions of Republican Spending.

Figure A-3. Democatic and Republican Spending excluding Medicare and Social Security.