An Examination of Strategic Opportunities Provided by the Conference Committee Procedure in the U.S. Congress

Thesis by
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In Partial Fulfillment of the Requirements
for the Degree of
Doctor of Philosophy

California Institute of Technology
Pasadena, California

1989
submitted September 9, 1988

Acknowledgements

I am grateful for the help of my committee members: Rod Kiewiet, Doug Rivers, Larry Rothenberg, and Bruce Cain. I owe a special thanks to Rod Kiewiet and Mat McCubbins for making their data on agency spending available to me. Other forms of support were provided by my fellow graduate students Wendy Hansen, Peter Gray, and Ed Campos. The members of the SWSG, particularly Erica Harvey, Bob Sweeney, and Ann Heil provided a useful reminder of the potential relevance of political science to life, along with a lot of fun. David Brainard, Melanie McDermott and Robert Waldman were frequent sources of reasonable advice and encouragement. And my parents and siblings always had a positive word to add. This endeavor would have been very difficult without all of these people.

Abstract

Deference to committees in Congress has been a much studied phenomena for close to 100 years. This deference can be characterized as the unwillingness of a potentially winning coalition on the House floor to impose its will on a small minority, a standing committee. The congressional scholar is then faced with two problems: observing such deference to committees, and explaining it. Shepsle and Weingast have proposed the existence of an ex-post veto for standing committees as an explanation of committee deference. They claim that as conference reports in the House and Senate are considered under a rule that does not allow amendments, the conferees enjoy agenda-setting power. In this paper I describe a test of such a hypothesis (along with competing hypotheses regarding the effects of the conference procedure). A random-utility model is utilized to estimate legislators' ideal points on appropriations bills from 1973 through 1980. I prove two things: 1) that committee deference can not be said to be a result of the conference procedure; and moreover 2) that committee deference does not appear to exist at all.

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Introduction

The influence of standing committees on legislation in Congress has been of scholarly interest since Woodrow Wilson's time. Wilson described committees as "dim dungeons of silence" which could bottle up legislation at will (Wilson, 1885). The idea that members of Congress defer to committees has remained a stylized fact to this day. Despite the longevity of the literature on the subject, there has yet to be any systematic empirical research proving the existence of deference to committees. There is a growing consensus that the committee reforms of the 1970s have lessened the degree of deference to committees in Congress, but the subject remains one of interest. Building on recent work by Shepsle and Weingast on the role of conference committees in affecting legislation, I will develop a model of strategic action by both standing committees and their parent chambers leading to the conference committee. This model explores the tension inherent in the relationship between standing committees and their parent chamber. I will then develop a method to test the model by using appropriations legislation over an eight year period. I prove two things: 1) that committee deference can not be said to be a result of the conference committee procedure; and 2) that committee deference does not appear to exist at all.

By convention, House conferees on legislation have been members of the standing committee that initially considered the bill. When the members of a standing committee represent their parent chamber in a conference committee they are granted agenda-setting power in the sense that they make the final proposal, and it is considered under a closed rule in both chambers

(Shepsle and Weingast, 1987a). Thus it is hypothesized that sophisticated conferees can use the influence conferred by their agenda setting power to affect the final outcome of a bill. Furthermore, in 1974 the House passed Rule X, clause 6(f), specifying that a majority of conferees must be "members who generally supported the House position as determined by the Speaker" (*Rules of the House of Representatives*, 99th Congress, p.9). This suggests that the **appointment** of conferees by the House will be strategic, and based on the preferences of the members of the standing committee which proposed the legislation. Assuming that the Speaker is an agent of the majority party in the House, it is hypothesized that the conferees will have a median ideal point that is acceptable (i.e., preferable to the status quo) to a majority within the majority party in the House (Nagler, 1989). This theory of sophisticated behavior by conferees provides several hypotheses to test. Stated in broad terms, the hypothesis examined here is that the conference committee procedure allows standing committees to influence legislation, within parameters established by the preferences of members of the majority party.

To test this hypothesis requires a test of committee influence. Committee influence can be defined as the ability of a committee to obtain outcomes desirable to the committee, for which there is a majority-preferred alternative available to the full chamber. It follows that in order to observe committee influence one must know what a committee wants (the committee's median will suffice for this, assuming the committee is a unitary actor in a single dimension) and what the entire chamber wants (the entire chamber's

median, again assuming the chamber is a unitary actor in a single dimension). Krehbiel and Rivers have proposed a test of committee influence using a random utility model to estimate legislators' ideal points (Krehbiel and Rivers, 1987). However, whereas Krehbiel and Rivers attempted a test of committee influence on a single bill, I will try to establish a statistically significant pattern of committee influence over a set of bills. I view this large scale empirical test of the committee deference phenomena as major contribution of this work.

In this paper I will apply the theory of congressional behavior described above to the House and Senate Appropriations committees. Using the methodology proposed by Krehbiel and Rivers I examine the committees actions over the period from 1973 through 1980. The two appropriations committees are studied for methodological reasons, not substantive reasons. Appropriations committees pass bills that cover the same subject year after year. Thus time series data are available. And their bills are easily quantifiable, lending themselves to econometric tests. Furthermore, the consideration of appropriations legislation in Congress is very regular. The initial action on appropriations legislation is almost always the reporting of the legislation by the House Appropriations committee. This is followed by consideration on the floor of the House, and passage of the bill with or without amendments. After passage by the House, the Senate committee reports a version of the bill to the floor of the Senate. The Senate then passes the bill with or without amendments, and a conference committee to reconcile the two chambers' versions is called for. This routinized sequencing of events

makes the process simpler to model, as every year the legislators work with the same amount of information about what their fellow legislators have already done.

Choosing one pair of committees to study obviously limits the generality of the conclusions: there is no way to know if other pairs of committees follow the same patterns of behavior. However, if the assumptions that underlie the model are clearly stated, then one can determine whether other committees' behavior should be explained by the model offered. And, if one is restricted to only one pair of committees, better Appropriations than Government Operations. The Appropriations committees deal with bills of major substantive importance that members presumably have strongly held preferences on. The Appropriations committees also deal with one of Congress's most fundamental roles, its power of the purse. In addition, the Appropriations committees and the appropriations process have been studied before (Fenno, 1966, Pressman, 1966, Kiewiet and McCubbins, 1985a, 1985b). Moreover, studies of the budget process as a whole exist (Wildavsky, 1974, Schick, 1980). And the incentives of the bureaucracy – – the organization which Congress budgets for – – has also been examined (Niskanen, 1971). Hence this work will build on an established tradition.

Several models of strategically motivated behavior by committees and their parent chambers will be developed. Each model addresses the same question: how can Congress delegate work to committees and yet allow the entire body to maintain effective input into legislation? The models focus on

the conference procedure – – the penultimate stage in the legislative process – – as the institutional mechanism within Congress that tests this question.

Concurrent with this examination I consider the ways in which the parent chamber may mitigate the standing committee's influence on legislation. I then specify the configurations of preferences under which a committee enjoys an ex-post veto. This allows me to offer predictions for behavior by the Speaker, by committees, and by the entire House. This work represents a step forward from the earlier analyses of conferences by Ferejohn (1975), Vogler (1971), and Steiner (1950). Those researchers were not able to offer a means of predicting the outcomes of conferences, while such a method is presented here. Also presented is an application of this method to a precedent-setting case in the House of Representatives.

Such a theoretical exercise does not take place in a vacuum. Conference committees determine the fate of much important legislation (Shepsle and Weingast, 1987b). And the importance of the conferees has not been lost on members of Congress. Members of the House have in the past questioned the goals of their representatives in conference (Clapp, 1963):

> There is a little line in the instructions which says that the chairman of the conferees will attempt to carry out the will of the House regardless of his own personal feelings about it. Now, I have never seen that rule observed.

And more recently, in describing alleged conferee abuse over HR1718 – the Emergency Appropriations Bill for 1983 – Senator Spector (R-Pa) claimed (*Congressional Record*, March 22, 1983, p. S3637):

> It as a case of Gaston and Gaston. It was not even a case of Gaston and Alphonse. When the conference

> was in session the chairman of the House committee said "We yield to the Senate position," and was then interrupted by the chairman of the Senate committee saying "Oh, no, you cannot yield to our position. *We insist on yielding to your position.*" (emphasis added)

This paper is organized as follows. First is a review of the relevant literature on both deference to committees, and the conference committee procedure. Second, a review of Shepsle and Weingast's theory, which holds that the agenda-setting power of conferees explains the observance of committee deference. Third, a description of the institutional features of the House of Representatives and an analysis of why, and under what configurations of preferences of the actors, these institutional features make a variation of the ex-post veto theory applicable to many legislative situations. Fourth is an examination of the actions of the House of Representatives, the Education and Labor Committee, and the Speaker during consideration of minimum wage legislation in the context of the theory developed. Following this I turn to a broader empirical examination of the questions at hand. In this section the relationship of the committee to its parent chamber is further developed. Next, I consider the conference report itself, and what the strategies described imply for the selection of conferees. I then summarize the hypotheses generated, and offer a discussion of the overall model developed. Finally, the remainder of the paper describes the methodology and data used to test the hypotheses developed, and the results of those tests.

Overview of Literature

While there is a voluminous body of literature on standing committees in the House of Representatives, and a respectable-sized body of literature on conference committees, the intersection of the two has rarely consisted of more than the common word in their subject headings. Work on standing committees can be divided into three types: 1) descriptive work focusing on the internal workings of committees; 2) rational-choice work assuming that members of congress are purposive actors whose behavior can be explained based on their goals; and 3) game-theoretic attempts to formally model congressional behavior and explain, among other things, why members of congress would defer to committees. Another useful category of work, that attempting to empirically test the theories described in the earlier categories, is reserved for later consideration. Calling some work 'descriptive' is perhaps harsh, for there was 'theory' involved. However, 'internal integration', and 'systems analysis' did not provide the causal explanations of behavior, or predictive capacities, associated with more rigorous explanations.

All of the ink spilled on committees suggests a widespread belief that they are important. I will not attempt to cover all the literature describing the inner-workings of committees. Instead I focus on three areas of committee research: i) explanations for why we would expect committees to be important because of self-selection to committees (hence skewed distributions of preferences in the committees compared to the chamber) coupled with log-rolling or vote trading; ii) formal explanations suggesting why the

rules and procedures that congress – – and the House in particular – – operates under should give influence to committees; and iii) the small amount of empirical literature available testing theories of committee deference. [1] This latter group may be broken into two types: those that test directly for committee influence on roll-call votes, and those that look for congressional outputs that suggest the influence of committees. The latter test offers an elegant way to avoid the problem of inference from roll-call votes; but makes tests of **explanation** of committee power, rather than **existence** of committee power, difficult.

In his seminal work, Fenno described committees based on member's goals, environmental constraints, and strategic premises (Fenno, 1973). However, rarely (in fact almost never) has this literature evaluated committee success on the floor (Dyson and Soule, 1970; Lewis, 1978; Krehbiel and Rivers, 1989). When it has, such success has generally been measured prior to the conference stage.

The literature on conference committees has either been done at the aggregate level across standing committees, with no comparative perspective among the different types of committees; or has consisted of case studies of the success of single committees in conference (Vogler, 1971; Fenno, 1966). Both types of work have precluded any comparative analysis across committees. When such authors did break their work down by committees, they did not evaluate **why** some committees had different success rates in conference. And till recently no attempt was made to relate success in conference by a standing committee to success for the committee within the

chamber. I attempt to integrate work on standing committees and conference committees.

Fenno opened his 1962 article, "The House Appropriations Committee as a Political System: The Problem of Integration", with the comment that:

> Studies of Congress by political scientists have produced a time-tested consensus on the very considerable power and autonomy of Congressional committees.

As careful a scholar as Fenno was, he did not offer any references to back up this claim. And apparently he chose his words very carefully. The notion of powerful committees had been tested by time, but not by any empirical research. In fact, 11 years later Fenno began his 1973 seminal work *Congressmen in Committees* with:

> This books rests on a simple *assumption* and conveys a single theme. The *assumption* is that committees matter. (emphasis added)

Fenno, as others, claimed that committees mattered, and hence felt justified in studying how they worked internally.

This belief that committees matter has variously been tied to their agenda-setting role, their expertise, and ideas of cooperation and log-rolling. However, with all the emphasis on what committees do or do not say there has been little to suggest that the floor listens to what they say. The first empirical piece on committee success on the floor did not come until 1970. Without characterizing all the literature, it is safe to generalize that virtually all of it assumes – – explicitly or implicitly – – that committees are influential

on the floor (Fenno, 1973; Manley, 1970). Committees' roles as bill writers or agenda setters would not count for much if the floor simply did as it pleased with bills once they got there from committee.

I: Rational Choice Based Explanations of Committee Power

In his 1974 work *The Electoral Connection* Mayhew articulated the goal that is the cornerstone of virtually all rational choice work done on Congress: the assumption that members of Congress' first goal is to be re-elected. Mayhew's work was important because he described the behavior of individual members of Congress based on that goal. Mayhew was able to define three tactics – – position-taking, credit claiming, and advertising – – and argue forcefully that they were all the result of members' desire to be reelected. Position taking meant simply that a member of congress announced a position on an issue that was thought to be favored by his/her constituents, without necessarily any intention of ever delivering any public policy changes on the issue. Credit claiming meant claiming personal credit for some act of the congress, most notably some benefit that accrued to the member's district. Advertising was distinct from credit claiming in that it included the advertising of character traits or facets of the candidate's services that could be available, not merely goods that had already been delivered.

Along with citing behavior as designed to achieve electoral goals, Mayhew also argued that Congress as an institution was designed particularly well to suit members' electoral needs. And he cited the committee system in this argument. Mayhew tried to show how committees served all three elements of his electoral prescription.

Taking his cue from Fenno, Mayhew pointed out that several committees, Public Works and Interior among them, operated with a modus-operandi to pass requests from members on the floor. This buttresses Mayhew's re-election argument: he argued that this policy was an attempt by committee members to please other members of the chamber by giving them awards they could claim credit for. But this certainly does not indicate that committees have power; rather, to the contrary, it suggests that committees are subservient to the desires of members on the floor. Mayhew also noted that some studies had shown that committee members appeared to get more of the spoils their bills produced than did non-committee members, which would enhance the members' credit claiming opportunities (Plott, 1968; Goss, 1972). But Mayhew did not attempt to explain this phenomena.

In addition to the credit claiming benefits committees could provide, Mayhew specifically claimed that they were endowed with both advertising and position-taking benefits. Citing HUAC activities of prime examples of both advertising and position-taking Mayhew quoted Shils (1951):

> The congressional investigation is often just the instrument which the legislator needs in order to remind his constituents of his existence. That is the reason why investigations often involve such unseemly uses of the organs of publicity. Publicity is the next best thing to the personal contact which the legislator must forego. It is his substitute offering by which he tries to counteract the personal contact which his rivals at home have with the constituents.

Mayhew did not explicitly test his hypotheses that electoral desires influenced both congressional behavior and congressional organization, relying instead on the mostly anecdotal evidence collected by others. However,

absence any tests of his hypotheses, Mayhew did lay the groundwork for the past 15 years of research on Congress.

In his 1977 book *Congress: Keystone of the Washington Establishment* Fiorina attempted to explain just how the organization of Congress serves members' goals so successfully. The book attempts to explain the disappearance of 'marginal' congressional districts, districts featuring close elections. Briefly, Fiorina argued that it is through their relationship with the bureaucracy that members of Congress are able to insure their electoral goals. He writes:

> political observers are aware that cozy little groups of congressmen, bureaucrats, and interest group representatives make numerous day-to-day policy decisions. What has been less obvious is the manner in which the number of these subgovernments has been proliferating as the power of the twenty-odd full committees has been dispersed among the 120-odd subcommittees. If they so desire, most congressmen now have the opportunity to head up a subgovernment.

Fiorina did not dwell on committees achieving success on the floor. It was not influence within the chamber that he felt was essential for committees. Fiorina argued that it was influence in the bureaucracies – – the subgovernment – – that made committees important.

If we are convinced that committees provide the means to further members electoral goals via credit claiming, position taking, or advertising; then we would expect to see members choosing committees based on the particular committees' advantages towards reelection. In his 1978 work *The Giant Jigsaw Puzzle*, Shepsle showed that members do indeed make committee choices based on the committees electoral resources.

With only data on committee assignments it is impossible to gauge the value of the assignments to a member of Congress. For when the member chooses he/she must take into account the probability of being given his/her committee of first choice. It is unlikely that a freshman member of Congress would ask to be put on the Appropriations committee if the probability of being assigned there were only 10%. However, we wouldn't infer from this that the freshman wouldn't value a spot on the Appropriations committee.

Detailing the procedure used to select committees, Shepsle showed that requests for particular committees were a function of the legislator's constituents' characteristics. Having data on both *requests* and *assignments* Shepsle could take into account a member's subjective prior of receiving a given committee slot. This enabled him to interpret the relationship between member's characteristics, and the value they placed on different committees.

The arguments presented above only show that committees may be important for reelection, they do not offer any evidence that members display the deference to committees that would give committees the desirable properties supposed. In "A Rational Choice Perspective On Congressional Norms" Weingast attempted to describe why it would be rational for members to defer to committees (Weingast, 1979). In fact, Weingast attempted to explain why it would be rational for members to defer to everyone (which would obviously cover committees). He showed that under certain assumptions of the costs and benefits of projects that legislators would be better off adopting a 'Universal Legislative Game' (ULG) rather than a 'Distributive Legislative Game' (DLG).

Weingast basically made only two assumptions to reach this conclusion. His first assumption was that:

$$b_i > c_i$$

where b_i represents the benefits for a project to district i and c_i represents the costs to district i ($b_i = b_j \forall i, j$ and $c_i = c_j \forall i, j$). [2] This is a strong assumption, and leads Weingast fairly quickly to conclude that the more projects, the better. He also assumes that under a DLG a minimum winning coalition will form (with $N + 1$ members from a legislature with $2N$ members), and that each member has an equal chance of being in the winning coalition (WC). This gives us the probability of being in the winning coalition, a, as:

$$a = Pr[i \in WC] = \frac{N+1}{2N}$$

Now, it is straightforward to calculate the expected value to each legislator of the two different games:

$$EV[ULG] = b - c,$$

$$EV[DLG] = a(b - ac) + (1 - a)(0 - ac) = a(b - c).$$

This means the difference in expected values can be expressed as:

$$EV[ULG] - EV[DLG] = (1 - a)(b - c),$$

since by assumption $b > c$, it follows immediately that $EV[ULG] > EV[DLG]$.

While Weingast thus shows that the universal legislative game will leave legislators better off than the distributive legislative game; he does not answer the question of why individual legislators do not bolt from the universal game and form the distributive one. Hence he offers us a reason why legislators are better off cooperating; but he does not tell what enforces that cooperation.

In his article "The Emergence of Cooperation Among Egoists" Axelrod attempts to explain why such a cooperative game can exist even without an apparent enforcement mechanism (Axelrod, 1981). Axelrod's approach is unique. He examined populations of individuals who would interact with each other over time in Prisoner's Dilemma situations. In other words, two individuals would play a non-cooperative game with the usual Prisoner's Dilemma payoff matrix: they would be punished for finking on one another, yet it would be individually rational to do so. Axelrod offered the following matrix with sucker payoff 0, reward for cooperation 3, temptation to defect 5, and punishment for mutual defection 1:

[Table II - 1 Here]

Table II - 1

	cooperate	defect
cooperate	(3,3)	(0,5)
defect	(5,0)	(1,1)

note: payoff to row chooser listed first
note: increasing payoffs generate increasing utility

The analog to a legislative body is apparent. A group of legislators may be better off playing a Universal Legislative Game (to continue with Weingast's terminology); but if they need to play this game over consecutive votes then they will find themselves in a Prisoner's Dilemma situation as legislators who were already rewarded during a previous period will be tempted to fink during the next period. Axelrod observed the contrast between earlier descriptions of the Senate as being characterized by "falsehood, deceit, treachery", and later descriptions claiming that "it is not an exaggeration to say that reciprocity is a way of life in the Senate" (Smith, 1906; Mathews, 1960). Axelrod claimed that:

> I will show that we do not need to assume that Senators are more honest, more generous, or more public-spirited than in earlier years to explain how cooperation based on reciprocity has emerged and proven stable. The emergence of cooperation can be explained as a consequence of Senators pursuing their own interests.

What Axelrod claimed was the difference between the two time periods mentioned was increased tenure of Senators. The increase in tenure meant that Senators would be more likely to deal with each other often, and more importantly, again after any given vote.

Axelrod defined the value of a game to a player to be:

$$V = P_1 + \omega P_2 + \omega^2 P_3 + \omega^3 P_4 + \ldots$$

where P_t is the payoff at time t and ω is the discount parameter.

Axelrod offers two interpretations of ω: 1) that it is a standard discount parameter, indicating that future rewards are not valued as much present

rewards; or 2) that it incorporates the likelihood of the future interaction occurring. As Axelrod claims, either way it is strictly bounded by 0 and 1. However, for the purposes of his argument he interprets it the second way. Given this interpretation Axelrod claims that it is because of an increase in ω over time that cooperation has increased.

Considering a simultaneous move game where threats were unenforceable and each player had no knowledge of the other's move, Axelrod proved several theorems about the viability of different strategies. First:

> **Theorem 1:** If the discount parameter ω is sufficiently high, there is no best strategy independent of the strategy used by the other player.

This suggests only that in choosing a strategy, an individual member will have to consider what other members are doing. This in itself would not tell us much. However, Axelrod went on to show that Tit-For-Tat – – the strategy of cooperating on the first encounter with someone and on every future encounter doing what that individual did to you on the previous move – – was a dominant strategy. It was dominant in the sense that if everyone were employing Tit-For-Tat, then provided the discount parameter is high enough it would be impossible for any other strategies to invade it. And Axelrod was able to put specific conditions on the discount parameter for this:

$$\omega \geq max \left[\frac{T-R}{T-P}, \frac{T-R}{R-S} \right]$$

The implication for legislatures is clear. Cooperation is a stable strategy: we do not observe members bolting from ULGs because in the long run (and

there is a long run) it would not be the optimal strategy. Axelrod went on to prove that even small groups of individuals employing Tit-For-Tat entering a larger body would eventually dominate.

Formal Theories of Committee Power

There is an entire other set of formal theories of legislatures built around spatial models of voting. Plott's majority rule conditions and McKelvey's chaos theorem provided a major problem for theorists (Plott, 1967; McKelvey, 1976). Plott showed that majority rule is generically unstable in two dimensions or more; given almost any set of preferences there will exist no point that is a majority rule winner over every other point. And McKelvey showed, again in two dimensions or more, that given control of the agenda it is possible to construct a series of amendments that will make *any* point a winner under a binary voting scheme. Taken together the two results indicate that, absent any institutional constraints, we can not predict any outcomes, because any outcome is possible. Needless to say, this would not bode well for the research of students of legislatures.

However, in "Institutional Arrangements and Equilibrium in Multidimensional Voting Models" Shepsle found a way to both circumvent the problem of majority rule instability, and build a case for *why* chambers would appear to defer to committees. He introduced the concept of a structurally induced equilibrium (SIE) enforced by the jurisdictional system and germaneness rule of the House (Shepsle, 1979). Shepsle showed that if the jurisdiction system were such that each committee had the ability to make changes only in one dimension, and that the agenda was such that only one

committee could offer amendments, then there would be a unique SIE. Krehbiel and Denzau and Mackay have used this notion to describe scenarios when a chamber would be expected to defer to a committee proposal (Krehbiel, 1987; Denzau and MacKay, 1983). And Krehbiel and Gilligan, and Ferejohn, have documented examples of committees taking advantage of institutional rules in Congress that allow for such equilibrium (Krehbiel and Gilligan, 1985; Ferejohn, 1985). Later on in the exposition of the theory of this paper I elaborate on such spatial models.

II: Empirical Results on Committee Deference

There are at least two reasons for the lack of proof of floor influence. First, if one only looks at committees' success on the floor, then it did appear for a long time to the casual observer that committees were unbeatable on the floor. Once Committees' bills got to the floor they were invariably successful (Dyson and Soul, 1970). Second, to determine more precisely the success or failure of committees requires knowing what committees want, and what the house wants. Assuming legislators are behaving strategically, then success rates on the floor can be meaningless, for the bill the committee reports may not represent its median.

Dyson and Soule produced the first major study of floor results (Dyson and Soule, 1970). They looked at committees' success on all roll call votes from 1955-1964. According to them, a success occurred when the majority of the committee voted with the winning side on a roll call vote, or, in other words, when the majority committee position carried. The obvious problem

with their analysis is that they equate **success** on roll call votes with **influence** on roll call votes.

> We shall speak of ***successful*** committees to the extent they are able to realize their desires in Congress, i.e., committee recommendations are supported. (emphasis in original)

This success is only influence if: 1) the committee reports sincerely, and 2) the committee has different preferences than the floor. If the first condition is not met than success can be an artifact of strategic reporting. If the second condition is not met then success can be an artifact of shared preferences. Hence while Dyson and Soule revealed an interesting statistical artifact; nothing they offered could tell us whether or not committees were indeed influential on the floor.

Dyson and Soule did not have strong theoretical predictors of committee success on the floor. They attempted to determine the relationship between floor success and: committee attractiveness, committee partisanship, and committee integration. The first independent variable was measured simply by how many people wished to be on the committee, the third independent variable was measured by the cohesion of roll-call voting by committee members. They were not able to find significant relationships between the independent variables and committee success.

Lewis modified Dyson and Soule's analysis by using the universe of bills reported rather than the universe of roll call votes as her data set (Lewis, 1978). She categorized the history of bills as either: 1) favorable floor action; 2) unfavorable floor action; 3) no floor action. Lewis does not

explain how she discriminates between (1) and (2). Presumably passage of the bill in any form counts as favorable floor action. This measure obviously does not account for committee influence, as the bill may be modified in a way obnoxious to the committee before passage. However, using her criteria Lewis found committees to be overwhelmingly successful at passing legislation. In other words, the house does not consider legislation unless it wishes to change the status quo in some way.

Krehbiel and Rivers attempted to correct earlier studies of committee power by estimating actual ideal points of Senators for the level of the minimum wage (Krehbiel and Rivers, 1989). By comparing the median ideal point of committee members with the floor median they were not able find any evidence that the committee exercised any influence over the floor's actions. They did not attempt to prove this result for more than one case. Also, given the nature of the two chambers – – the greater size of the House and the stricter rules it operates under – – to find that Senate committees are not powerful, but House committees are would not contradict existing theory.

Another set of papers attempt to determine committee influence not by floor activity (i.e., roll call votes), but by final outputs. Such methodology has several pros. But such methodology also has several cons. The benefits of this method are that one need not be concerned with legislative strategy. As the outputs are the only thing being examined, what goes on inside Congress becomes moot. Using this method, Congress is merely a black box producing public policy outcomes. The only thing we need to know about

the insides of that black box is the membership of the relevant committee. We simply compare the benefits committee members receive from those outputs to the benefits non-committee members receive from those outputs. The only assumption required is that all members of congress prefer more benefits for their district to fewer benefits.

However, there are at least two problems here. The first is that implicitly a null model is assumed whereby each member would receive equal benefits in the absence of a committee structure. This is generally untenable. Given what we know about committee choice, we would expect this condition to be violated. For members *who would a priori expect more money for their districts from agriculture programs* are likely to be on the Agriculture Committee. And the same could be said for the Armed Services Committee, Interior Committee, etc..

The second problem with this method is that the public policy outcome must be one where we can measure the benefits to a given legislator or district. This implies some sort of a distributive policy. We can not discriminate between districts on the benefits of public policies that are not distributive in nature.

In one of the first articles of this type, "Nonmarket Decision Making", Plott acknowledged the first of these problems (Plott, 1968). He analyzed decisions by the Banking and Commerce Committees on funding for Urban Renewal authorization. However, he realized that members may have chosen to be on these committees precisely because their districts were ones

most likely to receive such grants based on criteria other than their committee membership. Plott attempted to solve this problem by gathering time-series data and comparing how districts did when represented on one of the relevant committees and when not represented on one of the relevant committees. Plott found that a district's level of benefits almost doubled during periods coinciding with committee membership. In an unusually blunt conclusion Plott claimed that:

> districts represented on the House Banking and Currency Committee are favored ... (but) on the qualifications side it is sufficient to say that shortcomings of the data are severe.

The data problems Plott refers to are the measurements of where the benefits go. Some districts encompassed several metropolitan areas, by which Plott's data was broken down.

In "Military Committee Membership and Defense Related Benefits in the House of representatives," Goss examined the Armed Services Committee of the House as well as the Appropriations Subcommittee on Defense and the Appropriations Subcommittee on Military Construction during 1968 (Goss, 1972). Goss attempted to estimate the amount of employment (both civilian and military) generated in each district by military activity. Goss attempted to solve the problem of self-selected committee members by postulating several factors that might affect military employment, and holding those constant to examine if there were any incremental effect from committee membership. While this strategy is sound, her reliance on bivariate tables

rather than multivariate analysis makes it difficult to draw strong conclusions from her research.

Goss postulated that legislators' age, seniority, party, voting record, region, and history of military service would be related to their districts' level of military employment. [3] Goss does in fact show that holding these variables constant one at a time, committee members do seem to have more military employment in their district than non-committee members. However, the set of variables she chooses does not at all disprove the theory that committee members may be self-selecting *based on military employment* rather than her items.

In "Congressional Influence Over Policy Making: the Case of the FTC," Calvert, Moran, and Weingast look for influences of congressional committees over the regulatory actions by an arm of the bureaucracy (Calvert, Moran, Weingast, 1987). Their empirical results provide some evidence to support their hypothesis that committee members are more influential than floor members over the FTC. While this does shows deference to committees by the executive branch, rather than by congress, we can infer that the entire chamber is allowing the committee this greater say in agency oversight.

III: Role of the Conference Committee

In "The Institutional Foundations of Committee Power" Shepsle and Weingast isolated the conference procedure as a particular institutional feature of Congress that is a source of committee influence (Shepsle and Weingast, 1987a). They postulated that standing committees had the option of ex-

ercising an "ex-post veto" by refusing to come to agreement when representing their chamber in conference committee. While Shepsle and Weingast overlooked some of the details of the rules regarding selection of conferees, their basic thesis – – that the requirement of conferees to come to agreement with their counterparts from the other chamber and offer a proposal under a closed rule offers a rich strategic opportunity for the conferees – – invites a wealth of meaningful, testable hypotheses concerning the conference procedure.

This focusing of attention on the conferees' role in the conference procedure is a welcome development. In 1975 Ferejohn was able to claim that "there is no area of congressional decision-making about which there is less academic consensus than there is about the conference committee" (Ferejohn, 1975). Literature on conference committees had up to this time revolved around the question, "who wins in conference committee?" However, the only winners proposed were the House or the Senate, never any of the other actors or units involved, such as the standing committees or the conferees.

Steiner examined conferences from the 70^{th} through 80^{th} Congresses (1928-1947) and concluded that the House view was predominant more often than was the Senate view (Steiner, 1950). Steiner's estimation of "who won" in conference was strictly subjective. He analyzed what he felt were the key issues of disagreement between the chambers, and chose the winner based on the resolution of those issues.

In "Patterns of One House Dominance in Congressional Conference Committees," Vogler examined conferences in the 79^{th}, 80^{th}, 83^{rd}, 88^{th}, and 89^{th} Congress, thus spanning 22 years and 596 conferences. Anyone attempting a "who wins" analysis of conferences must have some means of determining who won. Vogler used the report in ***Congressional Quarterly***, looking for key phrases such as "conference bill closest to bill as passed the House" and "conference bill split the difference". Unfortunately, ***Congressional Quarterly*** reported the "who won" status of only 295 of the 596 conferences covered in Vogler's period. Vogler reported the following summary results: 1) the Senate won 59% of conferences, the House won 32% of conferences, and 9% were settled via split the difference; 2) during periods when the Repúblicans controlled both houses the percentage of Senate victories was slightly higher, and 3) during periods when the Democrats controlled both houses the percentage of House victories was slightly higher.

Vogler offered a traditional interpretation of his results. He claimed that since the Democrats had a longer tenure as the majority party, they would utilize subcommittees more in the House than Republicans would when they controlled the House, and hence the House conferees would be especially better informed than their Senate counterparts. This would presumably enable them to strike a better bargain in conference. Alternatively, Vogler pointed out that perhaps the Southern Democrats entrenched in committees were able to go to conference committee and resist the Senate conferees who were representing what was thought to be the more liberal chamber during this period. This is an intuitively appealing notion, but it

can only be half an answer. It may have been that the Democratic conferees were not willing to compromise with their Senate counterparts because of their own preferences. However, this does not explain why the presumably liberal Senate conferees went along with the measures advocated by the Southern Democrats from the House.

Vogler did break his data down by committee and found that some committees were much more successful than others in conference. However, without some theory behind these differing success rates Vogler's tables are uninterpretable. He did attempt to supply some answers, or ideas for where to look for those answers. He suggested identifying the actors interested in the conference process, including interest groups, staff, the executive, and "the conferees' electoral, legislative, and executive constituencies." Vogler argued that "we would expect the legislator's sources of both influence and cues to be quite different in conference situation than they are in a floor vote or even a committee." He then hypothesized that it is a committee's prestige within its chamber that leads to its success in conference committee. However, he pointed out that "such an observation is not easily translated into a testable hypothesis." Given the difficulty in measuring or defining "prestige," Vogler was probably right about this. However, if prestige is something that happens to be observationally equivalent to the committee and the chamber having shared preferences, then Vogler's conjecture – – once prestige is replaced with this notion of preferences – – becomes testable.

Fenno examined conferences on appropriations bills – – considering a subset of federal agencies – – from 1947 through 1962. Determining the win-

ner by assuming sincere reporting by each chamber (i.e., assuming that each chamber appropriates its median) Fenno observed that the resulting appropriations were closer to the Senate figure about 65% of the time (Fenno, 1966). Manley analyzed only conferences between the House Ways and Means Committee and the Senate Finance Committee for 1947-1966. He concurred in Fenno's observation that the Senate did better than the House in conference (Manley, 1970). Like Fenno, he determined the winner by comparing the result to the bills passed by each chamber.

Aware of the problems of strategic misrepresentation, Ferejohn's main goal seemed to be to contribute a method for determining which chamber has won a conference (Ferejohn, 1975). He studied a particular case – – conferences on appropriations for the Army Corps of Engineers from 1951 to 1967 – – and offered a model for determining a chamber's success rate. Ferejohn compared the number of programs the House wanted to start and the number of programs the Senate wanted to start. He concluded that the House was better at having such programs approved by the conference committee. Of course he is vulnerable to his own criticism, he cannot be sure that the Senate did not propose an inordinately high number of new projects knowing that some fraction of them would not survive the conference committee.

Strom and Rundquist attempted to explain the observed phenomena of the Senate's dominance of the conference procedure gathered by these studies (Strom and Rundquist, 1977). They argued that the sequencing of the legislative process was crucial to the conference stage. They claimed

that whoever went second in the legislative stage would have an advantage in conference as they would merely have modified the other chamber's bill. Presumably this would put them in a better strategic position. The intuition is that the bill reflects the preferences of the first chamber, the differences reflect the preferences of the second chamber. Hence the second chamber is assumed to be more committed to the differences and attempts to preserve them in conference. Whatever the validity of the intuition, replicating previous authors' studies Strom and Rundquist did find that it was not the Senate per se, but the chamber that went second that won most conferences.

Implications for Standing Committees

Vogler noticed some pattern of **standing committee** success in conference, but offered no theoretical basis for this pattern (Vogler, 1971). Fenno conjectured that a chamber's success in conference depended upon how well the conferees' preferences corresponded to the chamber's preferences (Fenno, 1966). Intuitively, Fenno was arguing that a chamber would only appear successful in conference if its conferees were trying to come out of conference with something close to the chamber's bill, rather than to the conferees' own preferred position. However, Fenno did not relate this back to **the committee's success in the chamber**, he was only interested in explaining why one chamber appeared to be more successful than the other. The Shepsle-Weingast thesis offers a means of exploring the pattern Vogler observed. Or, alternatively, the pattern Vogler observed offers a means of testing the Shepsle-Weingast thesis. Theoretically, the Shepsle-Weingast thesis can be viewed as a corollary of Fenno's conjecture.

According to Fenno:

> The Senate is stronger in conference because the Senate Committee and its conferees draw more directly and more completely upon the support of their parent chamber than do the House Committee and its conferees.

Another way to make this claim is to argue that those committees did well whose preferences coincided with the preferences of their chamber. This is consistent with the model examined later. If the chamber shares the committees preferences then there will be no attempt by the committee to act strategically and placate the chamber, and no attempt by the chamber to choose conferees not representing the committee median. This will no doubt make the committee and the chamber appear more successful in conference. Again, having made this observation, it is seen that Shepsle and Weingast's theory of committee power is simply a corollary of Fenno's earlier suggestion on the basis of committee success in conference.

The Gap

The articles cited represent an impressive amount of effort spent examining the results of conferences. And despite their initial focus on which chamber "wins" in conference both Fenno and Vogler perceived that the relationship of the relevant standing committee to its parent chamber was crucial to the success of a chamber in conference. However, Vogler felt that the key to understanding this phenomenon was a committee's prestige within its chamber. Fenno cited a consensus within the parent chamber. Both these scholars were on the right course. However, neither was working

with a question that they could hope to answer. Neither explicitly shifted the focus of their research to answer the question "when does a **standing committee** win in conference?" or "when does a standing committee attempt to produce an outcome from conference that would make it appear as if its parent chamber had won?" The answer to the latter question is painfully clear: when the preferences of the members of the committee coincide with the preferences of its parent chamber. Thus Fenno was correct in searching for a consensus within the parent chamber. However, the necessary condition for success in conference is for the standing committee from which the conferees are drawn to represent that consensus.

In some sense it is surprising that so little attention was paid by congressional scholars to the differing interests of conferees and their parent chambers. Clapp offered the following quote from his interviews with members of Congress (Clapp, 1963):

> I think it depends on the chairman of our conferees. Take _____ committee matters. The House generally goes beyond the views of the committee chairman in passing bills relating to the committee's work. Yet he acts as chairman of our conferees when these matters go to conference. Since he is not favorable to the action of the House, he doesn't defend it very long, and you usually get a different result in conference.

Vogler believes that the hope lies in examining the prestige of a standing committee within its chamber. I would argue that the concept of prestige is misguided. However, what is important to realize is that such a notion can not lead to meaningful predictions as to **when** a committee will be successful

in conference. Even if we could identify prestigious committees as opposed to non-prestigious ones it would not tell us very much. The strongest prediction we could make is that prestigious committees would be successful Y% of the time in conference, while other committees would be successful only X% of the time in conference. We would have no clue as to how to make a prediction in the case of any specific bill; for the theory ignores the content of the measure before the conference, it merely looks at the actors in the conference.

A more complete theory would have such predictive power. It would take into account the content of the bill before the conference, the characteristics of the conferees, and the characteristics of the two chambers. I will propose a theory that takes into account the preferences of the conferees and the preferences of the members of the two chambers. I claim simply that a chamber will be successful in conference if it is represented by conferees who represent the parent chamber's preferences. This seems like a non-controversial statement. However, the essence of it seems to be lacking in the conference committee literature. And I claim that such a theory is empirically testable. If the conferees are members of the relevant standing committee then their preferences are available via the committee bill originally proposed to the parent chamber. What needs to be done is to compare the committee position, its parent chamber's position, the opposing chamber's position as well as its standing committee's position, and the conference report to determine both whether the theory would predict a "win" and whether there was a "win" for the parent chamber. Of course a

definition of a "win" would be essential to this enterprise. Defining a win in terms of movement towards the median of one of the two chambers or standing committees seems practical. For multi-dimensional bills the median on each dimension could be used.

As Ferejohn points out, this approach is plagued with problems resulting from possible sophisticated strategies by the actors. If each chamber believed that some "split-the-difference" bargaining was going to take place in conference then each chamber would intentionally exaggerate its preferences in the bills it passed. For example, a more hawkish Senate might pass a 5% increase in defense spending even though a majority of Senators support a 3% increase. For the Senators know that when they get to conference they will have to negotiate down with members of the House who want a smaller increase. In fact, taking into account the opportunity for position-taking makes this process even more difficult to unravel. In the above example, even if a majority of the House preferred a 3% increase to no increase they might pass a bill allowing no increase knowing that this position would be more helpful with their constituents.

Thus the first thing required to correct previous studies of conferences is some measure of true preferences. Through the use of a random utility model I achieve this. By combining this econometric method with a coherent theory of conference committee behavior on the part of both committees and parent chambers I am able to shed new light on the conference procedure and its implications for committee power and legislative success or failure.

I've tried to show here that there is a large amount of literature explaining why we should *expect* to observe committee deference, and a smaller literature that has attempted to find it. That smaller literature can be broken into two types: work that searches for committee influence directly on roll call votes on the floor; and work that attempts to infer committee influence from the policy outcomes emerging from Congress. I will be working with the former of these two methods. And I will be trying to incorporate what has been researched on conference committees.

A Precedent-Setting Case Study

Introduction

It is a stylized and empirically verifiable fact that standing committees in the U.S. House of Representatives are able to obstruct legislation and exert disproportionate influence upon legislation that reaches the floor. [4] This is generally characterized as deference by the parent chamber to committees. It may also be called committee deference when the House refuses to use an institutional mechanism at its disposal – – the discharge petition – – to force a popular bill out of a committee. But committee deference is an observation, not an explanation. Once this observation has been made, a theory of Congressional behavior should attempt to explain why such deference is rational. The theory should explain *why* members of Congress defer to committee proposals on the floor, and why the discharge petition has not been used more frequently. [5]

Shepsle and Weingast offer just this sort of explanation (Shepsle and Weingast, 1987a). They argue that a committee's power to determine the fate of a bill in conference committee with the Senate – – after the House has worked its will on the floor – – is the mechanism that enforces committee deference. After legislation passes the House and the Senate, a conference committee is one of the methods of resolving differences between the chambers. By convention, House conferees have been members of the standing committee that initially considered the bill. By failing to come to agreement in conference these conferees can kill legislation after it has passed through

both chambers (Bach, 1984). Hence conferees enjoy "ex-post veto power" (Shepsle and Weingast, 1987a).

However, House rules do not *mandate* that the House conferees be chosen from the standing committee that initially considered the bill. Rule X, clause 6(f) of "Rules of the House of Representatives" specifies that members of the House appointed to conference committee shall be members who "*generally supported the House position as determined by the Speaker.*" If a committee's bill is modified on the floor, the Speaker may appoint conferees who supported the floor position rather than the committee position. Thus standing committees do not necessarily enjoy an ex-post veto. The existence of an ex-post veto depends upon the Speaker's decision as to whether the committee members "supported the House position." So it is useful to develop strategic decision-making criteria for the Speaker, and test their implications for committee behavior and the existence of the ex-post veto.

I assume that the Speaker is an agent of the Democratic members (majority party) of the House. I then specify the configurations of preferences under which a committee enjoys an ex-post veto. This allows me to offer predictions for behavior by the Speaker, by committees, and by the entire House. This work represents a step forward from the earlier analyses of conferences by Ferejohn (1975), Vogler (1971), and Steiner (1950). Those researchers were not able to offer a means of predicting the outcomes of conferences, while such a method is presented here. Also presented is an application of this method to a precedent-setting case in the House of Representatives.

Such a theoretical exercise does not take place in a vacuum. Conference committees determine the fate of much important legislation (Shepsle and Weingast, 1987b). And the importance of the conferees has not been lost on members of Congress. Members of the House have in the past questioned the goals of their representatives in conference (Clapp, 1963). And more recently, in describing alleged conferee abuse over HR1718 – – the Emergency Appropriations Bill for 1983 – – Senator Spector (R-Pa) accused the conferees of bending too far towards the House position.

This chapter is organized as follows. First is a review of the properties of the observed phenomena (i.e., the influence of committees) utilizing a simple spatial model. Second, a review of Shepsle and Weingast's theory, which holds that the ex-post veto explains the observance of committee deference. Third, a description of the institutional features of the House of Representatives and an analysis of why, and under what configurations of preferences of the actors, these institutional features make a variation of the ex-post veto theory applicable to many legislative situations. Fourth is an examination of the actions of the House of Representatives, the Education and Labor Committee, and the Speaker during consideration of minimum wage legislation in the context of the theory developed.

Theory

Following convention, I assume that the set of possible legislative outcomes (bills) lies in an N-dimensional Euclidean space. Legislators are assumed to have preferences over these outcomes, and the institution is assumed to have a set of rules constraining the way in which outcomes are

considered (Shepsle, 1979). In addition, several restricting assumptions are made about the rules and preferences. The set of rules is assumed to partition the space into M jurisdictions, each of one dimension, and assigns one jurisdiction to each committee. [6] Furthermore, each legislator is assumed to have Euclidean preferences. On any given dimension a legislator has a most preferred point (an "ideal point"), and given two points in that dimension, he/she prefers the point closest to his/her ideal point. The assumption of unidimensionality corresponds to the germaneness rule of the House. If legislation on the level of the minimum wage is being considered, then an amendment to raise taxes would not be allowed; it is not germane and would not be on the same dimension in the policy space.

Three points in any dimension will be essential: 1) the status quo (SQ); 2) the committee median (C); and 3) the House median (H). One can think of these points as representing amounts of spending on some good or service. The status quo refers to the state of the law if no bill is passed. When dealing with a spending bill it is the amount of money that would be spent if no bill is passed. The committee median is the median of the committee members' ideal points, i.e., the ideal point of the median voter of the committee. Again, in the spending bill scenario, it is the amount that the median committee member would wish to spend: half the committee members would prefer to spend more and half would prefer to spend less. The House median is defined similarly for the entire House. Note that, according to Black's theorem, the House median would be expected to defeat all other proposals in a floor vote conducted under an open rule (Black, 1958).

A fourth point will also be useful: the sophisticated proposal. The sophisticated proposal is the proposal most preferred by a majority of a committee's members *that would be expected to receive support by a majority of the parent chamber against the status quo* (i.e., that would be expected to pass). This is the proposal that a sophisticated committee (either a standing committee or a conference committee) would make if it were proposing a motion under a closed rule permitting no amendments. The committee's members will realize that the chamber's decision will be a choice between the proposal the committee offers and the status quo. Hence collectively, the committee's best strategy is to propose the point closest to its median that is closer to the chamber's median than the status quo is. This point will be denoted as SP_c where C is the median of the committee making the proposal (Denzau and Mackay, 1983) (Figure One).

[Figure One]

Two sets of circumstances are considered: first a case where the members of a committee would choose to obstruct legislation by not reporting a bill; and second a case where the House would defer to a committee's proposal on the floor *even though a majority of members of the House prefers a different proposal.* In the first case the committee is unable to obtain an outcome that a majority of its members would prefer to the status quo. But by not reporting any bill the committee is able to retain the status quo, which a majority of its members prefers to the House median H, despite the fact that a majority of the entire House prefers H to the status quo. This case is the classic example of a committee's gate-keeping power (Figure Two). [7]

[Figure Two]

In the second case the committeè is able to defeat the status quo with the committee median C: a point that a majority of the committee prefers to both the status quo and to the House median. This may occur despite the existence of the House median H that a majority of the House prefers to both C and SQ. Case two is distinguished from case one in that in case two majority coalitions within both groups (the committee and the whole house) prefer to move *in the same direction from the status quo* (Figure Three).

[Figure Three]

If the committee proposes its median C (which could be defeated on the floor by the House median H) and C prevails, we say this is an example of "committee deference": the House has deferred to the committee's position for no apparent reason. [8]

The Puzzle of Deference

Cases one and two appear paradoxical to the congressional scholar who believes that members of Congress are rational actors. In case one there is an institutional mechanism available to members of the House who prefer the House median (H) to the committee median (C): the discharge petition. Case two presents the seemingly perverse situation where a majority of the members of Congress vote for a given bill despite the availability of a preferred alternative. Yet such perverse results are observed with enough frequency to suggest that a norm of committee deference exists. This "norm" is equivalent to an unwritten contract whereby members of Congress defer to the judgement of committees.

Ex-post Veto

If a committee had an ex-post veto available, and if a majority of the committee preferred the status quo to the House median, and a majority of the House preferred the committee median to the status quo, then it would be futile for a majority to try to alter the outcome on the floor from the committee median to the House median. The committee would be able to utilize its ex-post veto on the House median H, and the final result would be the status quo (Figure Four).

[Figure Four]

Shepsle and Weingast claim that a committee derives its ex-post veto power from its participation in a House-Senate conference committee. A majority of conferees from each chamber must approve the conference report (Bach, 1984). Hence by refusing to come to agreement in conference, a House committee has the option of retaining the status quo. In fact, since conference reports reported with no amendments in disagreement are considered under closed rules for up-or-down votes, a committee going to conference may have even more power than the term "ex-post *veto*" suggests: it may also have agenda-setting power in that it is the final proposer. [9] In terms of an agenda tree, the committee may, with the concurrence of the Senate conferees, select the proposal to appear on the final branch.

It is one of the strengths of this theory that the preferences of the Senate conferees influence the final outcome. This gives the theory predictive power. If the preferences of four groups – – the Senate committee, Senate floor, House committee, and House floor – – are known, then it is possible to

predict the conference outcome. Hence the theory is testable; it says when committees should exert influence and when they should not. During the remainder of this paper, it is assumed for sake of simplicity that a majority of the Senate conferees will approve whatever the House conferees propose. This means that the power of House conferees will be overstated to some extent, for undoubtedly in many cases the preferences of the Senate conferees, and the Senate bill, will limit the House conferees' options (Smith, 1988). However, as committees are not random samples of their chambers, but rather groups of self-selected representatives trying to promote particular interests, it is reasonable to assume that both standing committees will be in agreement with each other compared to their respective chambers more than the 50% of the time that chance would indicate.

Now looking again at Figure 3 it is easy to see why the committee's final proposer power makes it futile for the House to amend the committee's initial proposal C. If the House amended to H, then the committee would switch to C in conference and on the final vote on the conference report – – *that takes place under a closed rule* – – the House would have to choose between C and SQ. Since a majority of the House prefer C to SQ the outcome would be the same as simply approving C in the first place. Thus, if committees had ex-post veto power and final proposer power it would explain the phenomena of deference to committees on the floor that was described initially. However, rather than deference, it is seen that such behavior is merely an acquiescence to the institutional power that committees have been granted via their role in the conference procedure. In the next

section I shall draw upon the institutional rules governing the appointment of conferees and define the conditions under which a committee retains its ex-post veto and final proposal power.

Institutional Details

According to Rule X, clause 6(f) of "Rules of the House of Representatives" as amended in the 93rd Congress and again in the 95th:

> the Speaker shall appoint no less (sic) than a majority of members who generally supported the House position as determined by the Speaker. The Speaker shall name Members who are primarily responsible for the legislation and shall, to the fullest extent feasible, include the principal proponents of the major provisions of the bill as it passed the House.

The reason for such a rule is apparent from the theory and examples developed above. While prior to Rule X, clause 6(f), the rules of the House specified that the Speaker would appoint the conferees, the standard practice was that the chair of the standing committee that proposed the legislation being sent to conference would submit a list of suggested conferees to the Speaker (Bach, 1984). The Speaker would then announce appointment of these conferees immediately upon passage of the motion to go to conference. The Speaker's appointments are not subject to a point of order (Deschler, 1982). Rule X was expected to insure that if the Chair presented a list of committee members who did not support the House-passed bill, then the Speaker would appoint members who did support the House position and who would not attempt to resurrect the committee bill in conference. However, if it is assumed that the Speaker is an agent of the majority party in the House (i.e., if the Speaker acts as a majority of Democrats in the House

would want him to act), then this would not necessarily be the outcome of the rule change. For the Speaker would be expected to choose conferees representing the median Democrat on the floor, not the median House member on the floor. Hence a committee's opportunity to exercise an ex-post veto will depend upon the preferences of the Democratic members of the House, as well as the preferences of the Senate conferees and the Senate bill.

Conditions for Effective Ex-Post Veto

Once in conference the conferees act as a committee operating under a closed rule. I assume that the conferees act sophisticatedly. Under this strategy the conferees would, if possible, propose a point that is not only preferred to the status quo by the conferees themselves, but one that is also preferred to the status quo by a majority of the House (Denzau and Mackay, 1983). This assumption can be stated as follows:

Assumption One (A1):

The conferees will act sophisticatedly in that they will always report the bill closest to their median that would be expected to be passed by the parent chamber.

Note that this assumption rules out the possibility of the conferees reporting amendments in disagreement. [10] Note also that in order to act sophisticatedly members of the committee must know the distribution of preferences of the members of the parent chamber. While this is implicit in assumption one, it bears stating explicitly:

Assumption 1.1 (A1.1)

Committee members know the median ideal points of: the floor in the House; the floor in the Senate; the opposing committee; and Democrats on the floor.

Speaker's Decision Rule

It is impossible to consider institutional features without assuming that *some* of those features are exogenous - or at least fixed in the short run. In the case of proposal and selection of conferees I will make two such assumptions. The first assumption is that the committee chair's proposed slate of conferees always represents the committee median; rather than some extreme view within the committee: such as the view of all committee Democrats. It appears that this assumption is empirically justified. Committee chairs do not propose slates of conferees representing only their party on even the most partisan bills. [Note that committee chairs *propose* slates of conferees; the Speaker actually *selects* conferees.] Rule X, clause 6(f) gives the Speaker an option: he/she can appoint a group of conferees representing the 'House position', rather than the slate proposed by the committee chair. However, Rule X does not define the 'House position'; other than to define it as 'the House position *as determined by the Speaker*.' Thus my second assumption constraining legislative behavior is that this last clause means that the Speaker may appoint a group of conferees representing the House median. By this assumption the Speaker has only two options: he/she may appoint a slate of conferees representing either the committee median, or the House median. [11]

Under the assumption that the Speaker is an agent of House Democrats, his/her decision is based upon their preferences. If a majority of

House Democrats prefers the proposal expected by conferees representing the House median to the proposal expected by conferees representing the committee median, then the Speaker will appoint a group of conferees representing the House median. However, if a majority of House Democrats prefers the proposal expected by conferees representing the committee median to the proposal expected by conferees representing the House median, then the Speaker will accommodate the House Democrats, and appoint the slate of conferees proposed by the committee chair. [12]

The assumptions regarding the Speaker's decision rule can now be stated as follows:

Assumption Two (A2)

The Speaker will appoint conferees representing the committee median if and only if the expected sophisticated proposal by these conferees is preferred by a majority of House Democrats to the House median. Otherwise the Speaker will appoint conferees representing the House median.

An application of assumption two is offered in Figure 5. This is a case ripe for sophisticated placement by the committee. And further, a majority of House Democrats prefers the expected sophisticated proposal by the committee conferees to the House median. If the Speaker accepts the committee conferees as appointed by the committee chair then the final proposal to the floor would be SP_c. Since a majority of House Democrats prefer the expected committee proposal to the House median, the Speaker would accept the committee conferees if he/she acts in accordance with assumption two. What remains is to specify general conditions under which such cases for sophisticated placement and ex-post vetos will occur.

[Figure Five]

General Conditions

The following proposition is stated without proof [see Figure 2]:

Proposition 1:

The conferees will have an ex-post veto available if and only if the conferees' median and the House median are on opposite sides of the status quo.

What is necessary is to specify the configurations of medians among the House and the committee that will lead to ex-post veto power by the *standing committee* rather than by the conferees. In other words, when will the committee members find themselves enjoying the power to obstruct after legislation has passed on the floor? According to the Shepsle and Weingast model, the committee always has an ex-post veto. According to Rule X, the committee never has an ex-post veto, as the conferees should always represent the House median. Accepting assumptions A1 and A2, it can be shown that neither is the case, but that the committee enjoys a symbiotic relationship with the Democrats (i.e., the majority party) on the floor. Proposition two specifies when such situations arise that convey ex-post veto power to standing committees (all propositions assume that the Democrats are the majority party).

Proposition 2:

A standing committee will have an effective ex-post veto available if and only if: 1) the committee median and the House median are on opposite sides of the status quo, and 2) a majority of Democrats prefer the status quo to the House median.

[Figure Six]

Notice that proposition 2 covers a very limited set of situations. The requirement that the committee median and the House median be on opposite sides of the status quo implies that this is a situation ripe for obstruction. Since sophisticated committees do not propose bills in such situations, the interpretation of proposition 2 is that once a committee has proposed a bill there is no threat of an ex-post veto. Hence the ex-post veto cannot explain deference on the floor. The threat of an ex-post veto can explain gate-keeping (obstruction) when a majority of House Democrats prefers the status quo to the House median. But the Shepsle and Weingast claim, that it is the threat of an ex-post veto that accounts for deference on the floor, cannot be accepted.

However, there are interesting cases where a standing committee will go to conference and use its agenda-setting power rather than its ex-post veto power. The threat of utilizing final proposer power *can* explain committee deference on the floor. It is futile for the House to amend a standing committee's bill on the floor if the result of a conference committee will be the standing committee's original bill. So rather than describing the case where a standing committee will have an ex-post veto, those circumstances where the standing committee will retain final proposer power in the conference procedure are described. First, the following proposition is offered:

Proposition 3:

A standing committee has final proposer power if and only if:
1) the committee's situation is ripe for sophisticated placement

under a closed rule, and 2) the standing committee's chair's proposed slate of conferees is selected by the Speaker.

Now, replacing the first and second conditions above with the requirements on preferences, proposition 3 can be restated as follows:

Proposition 4:

A standing committee will have final proposer power if and only if: 1) the committee median and the House median are on the same side of the status quo, and 2) the Democratic median is closer to the expected sophisticated proposal from the committee than to the House median (i.e., a majority of Democrats prefer the expected sophisticated proposal from the committee to the House median).

In the next section I will discuss the consideration of minimum wage legislation in 1972, 1973, and 1977 in terms of the theory presented above. The 1977 legislative scenario will provide an illustration of proposition 4.

Legislative History

Consideration of minimum wage legislation in 1972, 1973, and 1977 illustrates the dilemma faced by House members regarding committee influence on the conference procedure, as the committee median was known to be different than the floor median. The debate over minimum wage legislation centered on several policy issues: 1) the level of the basic minimum wage, 2) the extent of coverage under this wage (groups whose exclusion was debated included agricultural workers, tip workers, and workers for small businesses), and 3) the question of a separate 'sub-minimum' youth wage. One can collapse the first two of these issues onto a single dimension: the liberalness of the minimum wage law. The youth wage does not fit quite so

well on this dimension. However, it can be isolated in both debate and roll call votes from other elements of the minimum wage. Thus it is possible to treat much of the debate during the 1970s as one over-liberalizing the status quo that existed as a result of the 1966 amendment to the fair labor standards act of 1938: a minimum wage of $1.60 with exemptions for certain groups of workers and no sub-minimum youth wage.

Four groups will be considered in this analysis: the House, the Senate, the House Education and Labor Committee (which had jurisdiction over minimum wage legislation) and the conference committee that reconciled the two chambers' bills. In 1960 the conference committee considering minimum wage legislation was unable to reach agreement on a compromise bill between the two chambers. Throughout the 1970s debate, it was understood that the Senate bill would be more liberal than the House bill, and that it was up to the conferees to fashion a compromise acceptable to both chambers. Also, the Education and Labor committee had a history of writing bills that members of the House found unacceptable (Fenno, 1973). Yet, until 1977 there was no doubt that members of the Education and Labor Committee would represent the House in conference. [13]

The relative median ideal points of three of these groups can be summarized as follows. The House had a median higher than the status quo, and the House Education and Labor Committee and the Senate both had medians higher than the House median. It appears that the Senate median was higher than the Education and Labor Committee median. (Figure 7) By examining Figure 7 in light of the theory presented earlier one would

expect the Education and Labor Committee to attempt to offer a proposal somewhere in between H and C, and force the House to accept it through the conference committee procedure. The problem members of the House faced was to try and enforce their lower median point against this strategy by the Education and Labor Committee.

[Figure Seven]

In 1972, the Education and Labor Committee reported a bill raising the minimum wage for most non-agricultural workers from $1.60 an hour to $2.00 an hour and extending coverage under the minimum wage law to an additional six million previously uncovered workers. However, the House considered this bill under a rule that allowed an amendment in the nature of a substitute by Erlenborn (R - Ill). Erlenborn, a Republican on the Education and Labor Committee, was more conservative than the median committee member. His substitute amendment diluted the committee's proposal. Erlenborn's bill would have spread the wage increase over two years and omitted the provision extending coverage. [Note: all proposals considered would have raised the minimum wage from the status quo. A "diluting" provision refers to one which would have raised the minimum wage *less than the bill being considered.*] In May the House passed Erlenborn's substitute by a vote of 217 to 191, and passed the bill as amended by a vote of 330 to 78.

In July the Senate passed a bill similar to the Education and Labor Committee's original proposal. Conservative members of the House postulated that, if a conference committee made up of House Education and

Labor members and liberal Senators met, the result would be a conference report resembling the liberal Senate bill. Erlenborn complained that:

> All too often . . . the House speaks its will by amending legislation from (the Education and Labor Committee) or adopting substitute bills and sending the legislation to the other body. All too often the other body passes a bill very similar to that rejected by the House. And almost without exception the conference committee members appointed by the House accede more to the provisions of the other body than they try to protect the provisions which the House had adopted. (*CQ Almanac*, 1972, p 370)

Rather than face the prospect of having to vote against a conference report on the minimum wage which they found less preferable than the status quo, members of the House defeated the motion to go to conference 190-198 in August. The motion to go to conference was brought up again in October and was defeated 188-196.

After a series of votes on the floor – – roll call votes were taken on three floor amendments changing the level of the wage or the extent of coverage – – the members of the Education and Labor Committee should have been able to estimate the House median. With this estimate they should have been able to determine how high a proposal the conference committee could make and still be closer to the House median than the status quo was. They would have known that if they reported a bill out higher than SP_c it would have been rejected (Figure 7). There was no reason for members of the House not to think that members of the Education and Labor Committee would behave rationally and produce a proposal preferable to the status quo.

The result of the House action was that both the House and the Education and Labor Committee were left with an outcome – – the status quo

– – which majorities in both felt was not as desirable as available feasible outcomes. However, given the ongoing nature of the minimum wage debate it would have been rational for the members of the House to pursue a long-term (i.e., repeated game) strategy and refuse to give Education and Labor the opportunity to introduce a conference report, hoping to force the committee to more accurately represent the House viewpoint in conference in following years.

After failing to pass legislation in 1972, the House again took up minimum wage legislation in 1973. Erlenborn again offered an amendment in the nature of a substitute that would have diluted the bill reported by the Education and Labor Committee. Erlenborn's substitute was almost identical to his 1972 substitute that had passed by a vote of 217 to 191 when first offered. However, there was apparently a change in the median ideal point in the House. This time the amendment failed on the floor 199-218 and the House passed HR7935, in virtually the same form it had emerged from the Education and Labor committee, by a vote of 287-130.

Members of the Education and Labor Committee then went to conference and came back with a bill extending coverage to an additional 700,000 retail and service workers. This bill was presumably further from the House median than HR7935 was, but still closer to the House median than the status quo was, for it passed 253-152. There are two hypotheses that are impossible to distinguish between in this case. Hypothesis one is that the House conferees willingly adjusted the bill in conference to make it conform more with the original Education and Labor Committee bill. Hypothesis

two is that the House conferees attempted to uphold the House position but were forced to compromise with Senate conferees, who genuinely preferred a bill that was more like the Education and Labor Committee bill. Dent (D - Pa), a Democratic member of the Education and Labor Committee, defended the conferees' actions, claiming that the House conferees receded 13 times on "key measures" while the Senate conferees receded 29 times (*Congressional Record*, August 3, 1973; p 28111). Erlenborn had his own interpretation: "What happened in the conference? There was no discussion . . . They (the House conferees) immediately proceeded to accede to the Senate position and follow what was clearly thrown out twice by the House." (*Congressional Record*, August 3, 1973; p 28116)

Thus, despite the implicit warning in 1972, the Education and Labor Committee was still able to utilize the conference committee to obtain a bill that would not have passed the House under an open rule. And the House was forced to accept a bill that was further from its median than the bill it had originally passed before going to conference. Whether this would have happened with a different set of conferees is not possible to determine.

After this exercise of the Education and Labor committee's final proposer power the House changed the rule regarding appointment of conferees. Whereas previously the conferees were always committee members, the new rule specified that conferees would be members "who generally supported the House position *as determined by the Speaker.*" The Education and Labor committee Republicans led by Erlenborn expected to benefit from this change. They knew that as a group their median (ELR) was closer to the

House median than was the Education and Labor committee median. Considering the relative medians for the minimum wage for 1973 it is easy to see why these hopes seemed justified (Figure 8).

[Figure Eight]

Figure 8 illustrates the expected result of this rule change. Under the old rules this case would have been analogous to Figure 7: and one would expect the Education and Labor conferees to exercise their final proposer power and report SP_c from conference committee. If the members of the House were acting rationally this would be the outcome as it is preferred to the status quo. However, under the new rule presumably the House members participating in the conference committee would support the House median. Thus H is the expected result, and it is preferred by a majority of the Republicans on Education and Labor to SP_c.

Minimum wage legislation was again considered in 1977 under the new rule governing the appointment of conferees, and the Education and Labor Republicans were much more successful than they were in 1973 in diluting the committee proposal (HR3744) on the floor. Three key amendments were passed, two of which were proposed by Republicans members of the Education and Labor committee. First, an amendment was offered by Erlenborn to remove a provision of the committee bill indexing the minimum wage to the CPI. This diluted the bill on the magnitude of benefits. Second, an amendment by was offered by Quie (R - Mn), a Republican member of Education and Labor, to delete provisions regarding the tip-credit. This would also have diluted the bill on the extent of coverage, as the tip-credit was a

way of *not* paying the full minimum wage to workers receiving tips. And third, an amendment was offered by Pickle (D-Tx) to exempt small businesses with gross sales of less than $500,000.00, *rather than* small businesses with gross sales of less than $250,000.00 as HR3744 proposed. This diluted the bill on the extent of coverage, as *fewer* workers would be covered under Pickle's amendment.

The rules of the House specified that the Speaker would appoint the conferees. However, the standard practice was that the Chair of the committee that proposed the legislation being sent to conference would submit a slate of proposed conferees to the Speaker, and the Speaker would then announce appointment of these conferees immediately upon passage of the motion to go to conference. In October of 1977 Perkins (D - Ky), the Chair of Education and Labor, proposed 10 conferees (plus Pickle as an additional conferee only for consideration of his own amendment) to the Speaker, Carl Albert (D - Ok). Education and Labor Republicans were surprised to find that the conferees that were proposed by Perkins had voted 2-8, 4-7, and 4-6 *against* the three key amendments which had passed during House floor consideration.

When Perkins asked for unanimous consent to go to conference Erlenborn reserved the right to object, pointing out that "the conferees as so named (Perkins' list) will not comply with section 701 of House Rules." Perkins replied that a majority of the proposed conferees had in fact voted for final passage of the bill (see Table I). Erlenborn noted in his retort that rule 701 was adopted as a result of a similar dispute he had had with Perkins

TABLE III - 1

Roll Call Votes in the House on 1977 Minimum Wage Legislation

	Erlenborn Amend-ment	Quie Amend-ment	Pickle Amend-ment	House Bill	Table Motion to go to Conf.	Conf. Report
House	223-193	264-161	221-183	309-96	138-266	236-187
REPs	126-15	132-11	127-10	61-76	118-20	17-124
DEMs	97-178	132-150	94-173	248-20	20-246	219-63
Confs	2-8	4-6	4-7	9-1	3-7	8-3
Committee	10-25	16-19	13-23	30-5	9-31	32-9
Comm REPs	9-2	12-0	12-0	7-5	9-2	3-8
Comm DEMs	1-23	4-19	1-23	23-0	0-22	23-1

in 1973 during consideration of the minimum wage bill. Erlenborn pointed out that after he objected to the 1972 minimum wage bill "the House refused to send (the bill) to conference when it was obvious that the conferees were not going to uphold the position of the House."

Erlenborn offered a motion to table the motion to go to conference in anticipation of the Perkins' conferees being approved. This motion failed 138-266, with the House Republicans supporting it 118-20 and Democrats opposing it 20-246 (Table I). The motion to go to conference then passed (91-41) and the Speaker announced appointment of Perkins' proposed conferees. Erlenborn made a point of order "against the naming of the conferees as not being in compliance with the provisions of section 701(e), rule X of the House." The Speaker – – an appointee of the Democratic party – – overruled the point of order. (*Congressional Record*; Oct. 12, 1977; p 33432-33435.)

This ruling by the Speaker is consistent with the theory presented earlier. Since a majority of Democrats voted against each of the amendments passed in the House it can be inferred that a majority of Democrats preferred the committee bill to the bill that passed the House. Hence the Speaker acting as an agent of the Democratic party should have allowed the committee to represent the House in conference. The Speaker could expect the committee to attempt to offer a conference report closer to the committee proposal, that in this case was closer to the Democratic median. If the committee proposal was not closer to the Democratic median than the House bill was then there would have been no reason for the Speaker to approve Perkins' proposed conferees.

In conference, the House conferees were able to produce a proposal closer to the original committee proposal than the House passed bill by accepting substantial portions of the more liberal Senate bill. They accepted the higher base minimum wage that had passed the Senate, thus achieving virtually the same effect that indexing would have achieved. (Erlenborn's floor amendment had stripped the committee's original indexing provisions.) They accepted a stronger tip-credit provision (i.e., accepted a tip-credit provision closer to that which passed the committee, despite the House having decisively rejected the committee position in passing Quie's amendment on the floor). And they re-adjusted the minimum size for coverage from businesses of $500,000 to businesses of $362,500 in gross sales, thus insuring that more workers would be covered by the minimum wage. (The Education and Labor committee had originally passed a bill allowing for a $250,000

level; the Pickle amendment had changed it to $500,000 during House floor consideration.)

[Figure Nine]

House conservatives tried to resubmit the measure to conference committee, but this motion was defeated. The conference report was ultimately accepted on October 20, by a vote of 236-187 (*Congressional Quarterly*; October 22, 1977, p. 2247-2248).

Conclusion

This paper has illustrated several features of the conference committee procedure. The case provided offers anecdotal evidence that: a) the basics of ex-post veto theory are rooted in fact, b) members perceive the potential of an ex-post veto as a problem, and c) despite rule X, clause 6(f), the *spirit* of the rule is violated in a way consistent with the model of Speaker decision-making that I have proposed. The basic theory of the ex-post veto requires some modification from the Shepsle-Weingast version to make it fit the rules of the House. Once those modifications are made, and the agenda-setting power of the conferees as well as the appointment power of the Speaker are considered, then it can be seen that the conference does indeed convey influence to the conferees. However, there is reason to believe that the conferees do not always represent the standing committee. Rather they may represent only what is acceptable to a majority of the majority party on the floor. Distinguishing between these competing hypothesis requires a more ambitious empirical study which is attempted in the following chapter.

TABLE III-2

Provisions of 1977 Minimum Wage Proposals

(effective date)

	Wage Level (Erlenborn AM)	Tip-Credit (Quie AM)	Small Business (Pickle AM)
Status Quo	$2.30	50%	$250,000
Educ & Labor Committee Bill	$2.65 $2.85 (1979) $3.15 (1980) + Indexing	$1.00 32% (1980)	$250,000
House Bill	$2.65 $3.05 (1980)	50%	$500,000
Senate Bill	$2.65 $3.15 (1980) $3.40 (1981)	30% (1981)	$275,000 $325,000 (1980)
Conference Report	$2.65 $3.10 (1980) $3.35 (1981)	45% (1979) 40% (1980)	$275,000 $325,000 (1980) $362,500 (1981)

1) All provisions take effect in 1978 unless otherwise specified.

2) The level of tip-credit is the credit allowed to employers. Hence a credit of only 20% allows an *employer* to pay $1.60 to an employee when the minimum wage is $2.00.

Theory and Estimation

In this chapter I develop and estimate the specific models to test the effects of the conference procedure on committee influence within the House.

I also test to see if conferees represent the committee, the chamber, or the majority party. This chapter is organized as follows. First there is a brief discussion of the general approach taken and its application to the conference procedure. This includes a discussion of the different types of interactions between groups within Congress – – committees and parent chambers – – that will be considered. Following this, the relationship of the committee to its parent chamber is further developed. Next, I consider the conference report itself, and then backtrack to consider what the strategies described imply for the selection of conferees. I then summarize the hypotheses generated, and offer a discussion of the overall model developed. Finally, the remainder of the paper describes the methodology and data used to actually test the hypotheses developed.

The common spatial model of a legislature as developed by Shepsle is again adopted (Shepsle, 1979). A legislature consisting of L members is considered. Outcomes or policies are treated as points in an N-dimensional Euclidean space. Each legislator is assumed to have preferences over these points. The institution contains a set of rules that partitions the legislature into committees. Each committee has jurisdiction over some subset of the policy space. I will assume that the intersection between any two committees' jurisdictions is empty. I will further assume that each item for which there is any appropriation corresponds to a unique, single dimension within the policy space; and that the appropriations committee is the sole committee with jurisdiction over appropriations. Each legislator i is assumed to

have an ideal point θ_{ij} in each j^{th} dimension, and each legislator has preferences that are separable over the dimensions. Thus given two points in a single dimension j, legislator i prefers the point that is closer to θ_{ij}. A committee or chamber median is the median ideal point of the members of the committee or chamber. Unless stated otherwise, it is assumed that a committee is a single actor whose ideal point is the committee median, and hence that "a committee" has preferences and has a single strategy.

Strategic Problems

The method of reconciling House-Senate differences suggests a principal-agent problem where each parent chamber is a principal, and each Appropriations committee is assumed to be an agent of its parent chamber. (Both the committee and the parent chamber are treated as unitary actors represented by a single median preference until the criteria for conferee *selection* is examined.) The Appropriations committees are assumed to act strategically. Each committee's ultimate goal is to produce a conference report that is as close as possible to its median, and that will also be approved by both parent chambers. Each chamber's ultimate goal is to force the conferees to produce a conference report that is as close as possible to the chamber's median, and that will also be approved by the opposing chamber.

Note that each committee must deal directly with two bodies: its parent chamber, and its opposite committee. (The term "opposite committee" refers to the committee of the other chamber with the same jurisdiction, the House Appropriations committee's "opposite committee" would be the

Senate Appropriations committee.) Similarly, each parent chamber must deal directly with two bodies: its committee, and the opposite chamber. Committee-committee interaction is considered first.

The Two-Player Game

The committees' proposals to the floor may be strategic attempts to influence the opposing committee, rather than attempts to influence the parent chamber. In this section I assume that the standing committees are chosen to represent their parent chambers in conference. Thus I view the conference committee procedure as a two-player bargaining game between committees: each committee acts to maximize its own objective function. The purpose of this section is simply to describe the problems legislators in such a two-player game face: whether the two players are a committee and its parent chamber, two committees, or two chambers. Assuming Euclidean preferences, and treating the committee as a unitary actor, this simply means that the committee seeks a bill as close to its median as possible. However, both committees are constrained not only by the conferees from the opposing committee, but by their own principals: their respective parent chambers. It would be useless for the committees to return to their parent chambers with bills that the chambers would not approve (barring the case where the committee prefers the status quo to *anything* that is acceptable to the parent chamber). Hence in conference each committee must consider the preferences of the members of its parent chamber.

The solution to a two-player bargaining game – – whether it is between the two committees, between a committee and its parent chamber, or be-

tween the two chambers – – is not uniquely determined. We only know that it will lie somewhere on the contract curve between the two players. The contract curve is the locus of points which are pareto-optimal, a move off the contract curve could not make *both* committees better off. In the unidimensional case the contract curve is simply the line between the medians of the two players (Varian, 1978). Thus even if we know both players' preferences we would not be able to predict the resulting conference report. However, there are different bargaining solutions available which predict the results of such a two-player game. I will present the Nash solution as a model of the game between two actors dealing with a bill. The two players for which the argument is presented are the two committees; but the description applies as well to the interaction between a committee and its parent or between the two chambers.

Imagine that each committee comes to conference with bundles of goods. They goods they possess are their proposals for spending. The Nash solution satisfies two crucial assumptions. First, it is pareto-optimal; there is no other solution available that would make both parties better off. And second, it is symmetric with respect to the two actors; if the preferences of the two players are reversed then the outcome would not change. In the case of two committees bargaining in conference the Nash solution is equivalent to a "split-the-difference" solution: it predicts the midpoint between the committees' positions (Luce and Raiffa, 1957).

If each committee assumes that a "split-the-difference" approach will be used, then each committee will wish to misrepresent its preferences to

assure that the average of its reported choice and its opponent's reported choice equals its true median. [Note that the difference being split is the difference between the two committee reports, **not** the difference between the two bills passed by the full chambers!] If a committee believes that the opposing committee's median is higher than its own, then it will report a number lower than its median. If it believes that the opposing chamber's median is lower than its own, then it will report a number higher than its own median. I assume that each committee can estimate the opposing committee's median in some manner without relying on the report of the opposing committee. This estimate would be based on any information available to the committee. One would expect it to be heavily influenced by its previous dealings with the members of the opposité committee. However, these dealings could be augmented by knowledge of the types of constituents represented by members of the opposite committee, and macro-economic variables. The key is that the committee relies upon its **estimate** of the opposing committee's median, rather than upon the figure **reported** by the opposing committee. (Though the Senate committee might use the House committee's report in making its estimate of the House committee's median. This option is not open to the House committee, as it always reports its figure **before** the Senate committee acts.)

Without political constraints added, no matter how each committee determines its opposite's median, it is difficult to generate any signaling equilibria that do not degenerate if "split-the-difference" is assumed. If each committee believes that "split-the-difference" will be the norm, then

over time such strategies could degenerate to one committee reporting zero, and the other committee reporting twice its true median. [Note: all variables with a ~ (tilde) denote an amount proposed; variables with an * (asterisk) denote true preferences. SC denotes the Senate Appropriations committee, HC the House Appropriations committee, S the Senate, H the House, CF the conferees, and HM the majority party within the House.] Assume the House committee desires a higher appropriation than the Senate committee, i.e., $HC^* > SC^*$. Assume that in year t the result of the conference is CR_t, where $SC_t^* < CR_t = (\widetilde{HC}_t + \widetilde{SC}_t)/2 < HC_t^*$. Then since the conference report was less than the House median, in the following year, all other things being equal, the House committee will report more than it did the previous year, i.e., $\widetilde{HC}_{t+1} > \widetilde{HC}_t$ and the Senate committee will report less than it did the previous year, i.e., $\widetilde{SC}_{t+1} > \widetilde{SC}_t$. So again, $SC_{t+1}^* < CR_{t+1} = (\widetilde{HC}_{t+1} + \widetilde{SC}_{t+1})/2 < HC_{t+1}^*$. This process would continue until some period T where $SC_T = 0$ and $HC_T = 2HC^*$.

However, the reader will undoubtedly realize that such a scenario is implausible in the political context of these models for several reasons. Individual legislators are constrained for position-taking reasons from ever voting for appropriations that are too far from their constituents' preferences, and committees are constrained for institutional reasons (responsibility to the chamber, maintaining the myth of expertise, etc.) from ever reporting appropriations that a majority of the chamber would find to be irresponsibly high or low (Mayhew, 1974, Fenno, 1973).

This constraint can be incorporated in a legislator's utility function. In the standard spatial model a legislator's preferences are defined solely across outcomes. For instance, given the assumption of Euclidean preferences, legislator i with ideal point θ_i would have utility function $u_i(x) = -(x - \theta_i)^2$, where x is the final amount appropriated. However, taking into account a legislator's interest in position taking, a more realistic utility function is given by $u_i(x, \rho_i) = -\gamma_1(x-\theta_i)^2-\gamma_2(\rho_i-c_i)^2$, where ρ_i is the appropriation that legislator i initially proposes, γ_1 and γ_2 are positive constants, and c_i is the median ideal point of the legislator's constituents. In this model the legislator's utility is determined not only by how close the result is to his/her ideal point, but also by how close a **proposal** he/she makes to his/her median constituent's ideal point. For simplicity's sake I will assume that $c_i = \theta_i$, or that the legislator perfectly represents his/her median constituent's ideal point. Hence the utility function can be rewritten as $u_i(x, \rho_i) = -\gamma_1(x - \theta_i)^2 - \gamma_2(\rho_i - \theta_i)^2$.

The legislator will seek to maximize utility by choosing ρ_i to maximize v_i. In the case where $v_i = -(x - \theta_i)^2$, the legislator attempts to maximize v_i by influencing x: the outcome. In the split-the-difference model, $x = \rho_1 + \rho_2$, where ρ_1 is the amount reported by the first committee, and ρ_2 is the amount reported by the second committee. Solving for x: $v_i = -(\frac{1}{2}(\rho_1 + \rho_2) - \theta_i)^2$. Replacing the legislator with an anthropomorphic committee which acts as a legislator with ideal point θ_i, the i^{th} committee now maximizes utility by choosing ρ_i. Differentiating:

$$\frac{\partial u_i}{\partial \rho_i} = -(\frac{1}{2}(\rho_1 + \rho_2) - \theta_i).$$

Solving the first order condition yields

$$\rho_1 + \rho_2 = 2\theta_i$$

or

$$\rho_1^* = 2x_1 - \rho_2,$$

and

$$\rho_2^* = 2x_2 - \rho_1.$$

Thus it is possible to generate partial equilibria solutions ρ_1^* and ρ_2^*. However, when the general equilibrium is considered this leads to a perverse result. The two partial equilibria do not yield a unique solution.

Utilizing the utility function that includes position-taking considerations alleviates this problem, as this utility function does yield a general equilibrium solution. Consider the utility maximization problem faced by the anthropomorphic committee i with position-taking considerations (note: γ_1 and γ_2 are assumed to be the same for both committees):

$$\max_{\rho_i} u_i(x, \rho_i) = -\gamma_1(x - \theta_i)^2 - \gamma_2(\rho_i - \theta_i)^2,$$

where

$$x = \frac{1}{2}(\rho_1 + \rho_2).$$

Differentiating and solving the first order condition:

$$\rho_i^* = \frac{(2\gamma_2 + \gamma_1)\theta_i - \frac{1}{2}\gamma_1\rho_j}{\frac{1}{2}\gamma_1 + 2\gamma_2}.$$

But solving similarly for ρ_j, and substituting yields

$$\rho_1^* = \frac{(2\gamma_2+\gamma_1)(2\gamma_2+\frac{1}{2}\gamma_1)x_1 - \frac{1}{2}\gamma_1(2\gamma_2+\gamma_1)x_2}{(\frac{1}{2}\gamma_1+2\gamma_2)^2 - \gamma_1^2/4}$$

and

$$\rho_2^* = \frac{(2\gamma_2+\gamma_1)(2\gamma_2+\frac{1}{2}\gamma_1)x_2 - \frac{1}{2}\gamma_1(2\gamma_2+\gamma_1)x_1}{(\frac{1}{2}\gamma_1+2\gamma_2)^2 - \frac{\gamma_1^2}{4}}.$$

Note that when $\gamma_2 = 0$, ρ_1^* and ρ_2^* are undefined. Also note that when x_1 is large, so is ρ_1; and that as x_2 goes up (and hence ρ_2^*), ρ_1^* goes down. Looking at the equilibrium equations for ρ_1^* and ρ_2^*, if γ_2 is small, then ρ_1^* and ρ_2^* could be negative. However, as the House and Senate Appropriations committees are never observed reporting negative appropriations, the apparent conclusion is that γ_2 is **not** small.

The purpose of this exercise is to show that when position-taking considerations are considered, there **is** some equilibrium determined. While the parameters of the utility function described above cannot be estimated, it is important that the model implies that there is an equilibrium position that we can expect the conference report to represent. Thus, modeling the conference procedure is possible. The predictions of committee reports can be grounded in utility maximization, and still not be degenerate predictions of 0 and twice the higher committee's true median. While a committee (or an entire chamber) may report a bill designed to maximize its utility, it does so *subject to constraints* imposed on individual members by constituents, and imposed on the committee by the institution.

Institutional Details of the Conference Procedure

The Constitution of the U.S. requires a bill to be passed in identical form by both the House of Representatives and the Senate before it can become law. Since bills may be amended and modified along their route to passage, even two bills starting out as perfect duplicates of each other in committee are unlikely to remain identical after enactment by each chamber. Thus a method of resolving these differences after action by each chamber is needed. Two such methods exist: amendments between the chambers and conference committees (Bach, 1984).

If one chamber passes a bill, and the second chamber passes it with amendments then the first chamber has the option of agreeing to the second chamber's amendments. Alternatively, the first chamber can offer amendments to the second chamber's bill. The key aspect of this process is that it involves no committee action, the amendments are passed by the full body of each chamber.

It is generally believed that the conference committee process is used when the differences between the two chambers are too complicated to settle with a few amendments. Here there would be substantial differences in the texts of the bills passed by each chamber. Each chamber has its own procedures for choosing conferees. In the House they are appointed by the Speaker immediately after the decision by the House to go to conference. Normally the Speaker approves a slate of conferees proposed by the chair of the committee that had jurisdiction over the legislation. However, the rules of the House specify that the Speaker must appoint "no less than a majority of members who generally supported the House position as determined by

the Speaker." Senate conferees may actually be elected; however, the usual procedure is the equivalent of the House procedure in that the presiding officer is given authority to appoint conferees (Bach, 1984).

The conferees may receive instructions from their respective chambers. However, such instructions are not binding. What is a binding constraint on the conferees is that they may not produce a conference report that is outside the bounds of both the Senate and House bill. In order to reach agreement majorities of the conferees from both chambers must approve the conference report.

Before the 1970s conference committee meetings were generally closed. However, they are now open unless otherwise agreed to in an open vote by the conferees. In fact House conferees cannot vote for a closed conference without a roll call vote by the entire House. Majorities of both chambers must actually sign the conference report, as well as the explanatory statement each chamber requires.

Institutional Details of Appropriations Legislation

To understand the conference report it is best to back up one step and consider the form of the bills that precede it. The first bill that appears is the bill that is reported by the Appropriations committee in the House. This bill may then be amended on the floor of the House, and is passed before the Senate acts. In the Senate a bill is reported by the Senate Appropriations committee, and may then be amended on the floor. After this bill is amended, the Senate bill is incorporated into the version that passed the House floor by amendments to the House bill. In other words, the Senate

considers the House bill, proposes its own version as a substitute, and passes *HRxxxx* with the new content. The conference committee then considers the two versions of House bill *HRxxxx*, with the changes to the House version denoted by numbered amendments.

The conferees have three options on items where the two chambers have appropriated different amounts. Such a situation would occur if the House suggests an amount, and the Senate passes amendment number y appropriating a different amount. The conferees can recommend that the House amount be accepted, that the Senate amount be accepted, or that some amount in between be accepted. In the first case they would suggest that "the Senate recede from its amendment numbered y," in the second case they would suggest that the House recede from its disagreement to Senate amendment numberred y." If the conferees choose to recommend an amount in between, then they would suggest that the House "recede from its disagreement to amendment numbered y and agree to the same with an amendment as follows: In lieu of the sum proposed ...." These recommendations may constitute the entire conference report. And when each chamber votes to adopt the conference report it is these suggestions that they are adopting.

A different thing occurs if the Senate proposes an appropriation in an area where the House has not proposed a number. Since the only purpose of the conference report is to settle matters where both chambers have legislated and are in dispute, they report such amendments as being in "technical disagreement" and they are handled outside the conference report. In

practice these amendments are dealt with in the managers statement accompanying the conference report. The managers statement will contain a suggestion for each numbered amendment in technical disagreement that "the managers on the part of the House will offer a motion to recede and concur in the Senate amendment with an amendment as follows: in lieu of ...."

What distinguishes these amendments in technical disagreement is that they are voted on separately (and in fact they need not be voted on at all if the managers of the House do not so move). However, if any of these amendments fail, then the conference report fails.

Committee-Parent Chamber Interaction

Since the parent chamber is free to amend the committee's bill on the floor, it is not apparent that the committee's initial proposal should affect the final bill. Elementary application of Black's theorem suggests that the first proposal should have no effect on the final outcome of a bill in a single dimension, as the median is a Condorcet winner (Black, 1958). However, to suggest that the committee's report is irrelevant would be an extreme assertion. This conjecture is only even *theoretically* plausible if we are firmly anchored in one dimension. Even in one dimension this conjecture is at odds with popular notions of deference to committees based on committee expertise, and theories of cooperation (Fenno, 1973, Axelrod, 1981). Hence I will return to the effect of the committees' preferences and the committees' reports on the chambers' bill later for a more detailed look at these considerations.

In the above analysis there is no interaction between the committee and its parent chamber, other than the intuition that the parent chamber constrains the committee from reporting outlandish appropriations. There is nothing in the model postulated to suggest that the committee report, or the committee median, would have any effect on the parent chamber's position. However, the model allows for a test of this timeless truth of political science lore: that chambers defer to committees.

Arguments that chambers defer to committees because of committees' "expertise," or because of larger considerations of cooperation, abound in the Congress literature. This has remained a stylized fact since Woodrow Wilson's day (Wilson, 1885). However, such deference has never been documented. The closed rules granted to Ways and Means Committee legislation was considered to be the archetypal example of deference to committees. Fenno argued that legislators deferred to Wilbur Mills' committee's expertise on tax legislation (Fenno, 1973). However, it is possible that Mills was really reporting what the House wanted his committee to report. We cannot say that a chamber is deferring to a committee unless we can say that the chamber has passed a bill that is not the chamber's median, and that the committee prefers the bill to the chamber's median. By utilizing a model that includes the chamber's median and the committee's median I am able to determine whether or not such deference occurs. Specifically, I will test the following hypothesis: a chamber will appropriate more (less) than its true median if the median of the appropriating committee within the chamber is higher (lower) than the chamber's median, **and** the strategic situation

vis-a-vis the opposing chamber is in the committee's favor (**H1**). The strategic situation is determined by the ordering of the medians of: the House, the House Appropriations Committee, and the Senate. The committee is said to be in a favorable situation if the Senate median is on the same side of the House median as the committee median. In other words, the situation is favorable to the committee if: $HC^* > H^*$ and $S^* > H^*$; or $HC^* < H^*$ and $S^* < H^*$. Or, $HC^* \in [S^*, H^*]$.

Conferee Selection

I will also test the theory of strategic conferee **selection** (Nagler, 1986). Specifically, I will test the hypothesis that since 1973 and the passage of Rule X, clause 6(f) – – the rule specifying that a majority of conferees must be "members who generally supported the House position as determined by the Speaker" – – conferees have been chosen who were acceptable to a majority within the majority party in the House. To operationalize this, I test whether the conferees' median will be closer to the median of the majority party or to the median of the entire chamber (**H2**). There are two competing hypotheses: that conferees are chosen who are acceptable to a majority of the **entire** House, or that Rule X is ignored and conferees are chosen irrespective of the preferences of the members of the House. I believe that Rule X, clause 6(f) was passed because the preferences of members of the House were previously ignored in the selection of conferees

Restatement of Hypotheses

The hypotheses described above can now be restated as follows:

H1) A chamber will pass a bill appropriating more (less) than its true median if the median of the appropriating committee within the chamber is higher (lower) than the chamber's median; **and** the strategic situation vis-a-vis the opposing chamber is in the committee's favor.

H2) The conferees' median will be closer to the median of the majority party than to the median of the entire chamber.

Model Specification

H1: *Effect of the Committee on the Chamber*

It is possible to test the effects of the appropriations committees **within** their respective chambers with the above methodology. The following equation is used to test the hypothesis that the House is influenced by the standing committee:

$$\tilde{H} = \alpha_0 + \beta_1 * X + \beta_2 * \delta_1(HC^* - H^*) + \beta_3 * \delta_2(HC^* - H^*) + \upsilon_5,$$

where

X is a set of independent variables expected to influence the reported House figure

and

$$\delta_1 = \begin{cases} 1, & \text{if the committee has a strategic advantage;} \\ 0, & \text{otherwise.} \end{cases}$$

$$\delta_2 = \begin{cases} 1, & \text{if the floor has a strategic advantage in conference;} \\ 0, & \text{otherwise.} \end{cases}$$

The expectation is that β_2 will be positive, indicating that the committee has an influence on the floor's report **when** the committee has a strategic advantage in conference (i.e., when the Senate is in agreement with the committee relative to the entire House). And the expectation is that β_3 will not be significant, as the presumption is that committee influence will only exist when it is bestowed upon the committee via a favorable situation in conference. The independent variables expected to influence $\tilde{H}$ are: the amount the president requests, the unemployment rate, the inflation rate, the percentage of Democrats in the House, and a dummy for whether it is an election year. These variables are similar to those shown by Kiewiet and McCubbins to affect annual appropriations decisions by Congress (Kiewiet and McCubbins, 1985a). The basic premise is that while Congress is guided by the President's request, it also acts countercyclically: increasing appropriations in times of high unemployment, and decreasing appropriations in times of high inflation. In addition Kiewiet and McCubbins showed that a greater number of Democrats in Congress results in higher appropriations, reflecting the different beliefs in the two major parties on the role and size of government. Finally it is believed that Congress will want to increase spending in election years for whatever electoral advantage may be had. Some other variables might a priori be expected to be influential here: most notably the size of the federal deficit. Surprisingly, it was not a significant determinant of appropriations over the period studied.

H2: *Conferee Selection*

I have claimed that rule X in the House has allowed the Speaker to appoint conferees who will be favorably viewed by a majority of the majority party within the House, rather than the entire chamber. The implication of this is that the conferees' median will be **closer** to the median of the majority party than to the median of the entire chamber; i.e., $(HD^*-CF^*)^2 < (H^*-CF^*)^2$, where HD is the median of the members of the majority party in the House, or the House Democrats for the period examined. Furthermore, if this is a motivating factor in the appointment of conferees, then we should see some movement on the part of the conferees from the committee median towards the median of the majority party in the House. In other words, the conferees median should be bounded by the committee median and the median of the majority party in the House; or, $CF^* \in (HD^*, HC^*)$.

Having established two hypotheses so far I now turn to a discussion of the methodology and data available to test them with.

Methodology

To test the hypotheses described above it is necessary to know the true preferences of members, or at least the median ideal point of the committee and parent chamber. The random-utility model model utilized by Krehbiel and Rivers (1989) provides a method for estimating individual legislator's ideal points provided that: 1) the legislator's sincere preference between two outcomes on a bill is available, and 2) a set of exogenous variables that can be used as predictors of each legislator's preferences on the bill is available.

The only assumption about legislators' utility functions needed is that they be euclidean. For legislator i at time t with ideal point θ_{it},

$$|\theta_{it} - x_{it}| < |\theta_{it} - x_{jt}| \Rightarrow u_i(x_{it}) > u_i(x_{jt}).$$

No further assumptions about the form of the utility function are necessary. Now assume that each legislator has an ideal point θ_{it} given by:

$$\theta_{it} = \alpha_0 + A'_{it}\beta + \mu_{it}, \qquad eq1$$

where

- $A_{it} = [X_t|Z_{it}]$,
- X_t is a vector of macro-economic variables ,
- Z_{it} is a vector of the i^{th} legislator's characteristics.

Further, assume

- $\mu_{it} \sim IN(0, \sigma^2)$.

Define s_{1t} to be the state of the world where more money is spent depending upon the fate of bill S appropriating Y dollars. And define s_{0t} to be the state of the world where less money is spent depending upon the fate of bill S. In other words, if bill S is higher than the status quo (or, technically, the reversion point) then s_{1t} corresponds to the passage of S, if S is lower than the reversion point, then s_{1t} corresponds to the failure of the bill. In practice, it is almost uniformly the case that s_{1t} corresponds to passage. Now legislator i will vote for result s_{0t} (i.e., generally, vote no) if

$$u_i(s_{10}) > u_i(s_{1t}).$$

Based on the euclidean utility function defined, this is equivalent to saying that legislator i will vote for result s_{0t} if

$$\theta_{it} < \frac{1}{2}(s_{0t} + s_{1t}).$$

Thus the probability that the i^{th} legislator votes *against* bill S is given by

$$Pr[\theta_{it} < \frac{1}{2}(s_{0t} + s_{1t})].$$

However, substituting eq1, this is equivalent to

$$Pr[\alpha_0 + A'_{it}\beta + \mu_{it} < \frac{1}{2}(s_{0t} + s_{1t})].$$

Rearranging terms gives

$$Pr[\mu_{it} < \alpha_0 + \frac{1}{2}(s_{0t} + s_{1t}) - A'_{it}\beta].$$

But by the assumption of the distribution of errors this can be expressed as

$$\Phi\left[\frac{-1\alpha_0 + \frac{1}{2}(s_{0t} + s_{1t}) - A'_{it}\beta]}{\sigma}\right]$$

or

$$\Phi\left[\tilde{\alpha}1 + \tilde{\beta}_1\frac{1}{2}(s_{0t} + s_{1t}) + A'_{it}\tilde{\beta}_2\right],$$

where

$$\tilde{\alpha} = -\frac{\alpha}{\sigma} \qquad eq2a$$

$$\tilde{\beta}_1 = \frac{1}{\sigma} \qquad eq2b$$

$$\tilde{\beta}_2 = -\frac{\beta}{\sigma}. \qquad eq2c$$

Estimates of $\tilde{\alpha}$, $\tilde{\beta}_1$, and $\tilde{\beta}_2$ can now be obtained via probit. What is needed are estimates of α, and β, the coefficients of the equation that determines the ideal points. Solving the previous three equations yields

$$\sigma = \frac{1}{\tilde{\beta}_1}$$

$$\alpha = -\sigma\tilde{\alpha} = -\frac{\tilde{\alpha}}{\tilde{\beta}_1}$$

$$\beta = -\sigma\tilde{\beta}_2 = -\frac{\tilde{\beta}_2}{\tilde{\beta}_1}.$$

Estimates of the variance of the computed coefficients can also be computed. Define β_i as follows:

$$\beta_i = -\frac{\tilde{\beta}_{2i}}{\tilde{\beta}_1}.$$

Then

$$Var(\beta) = \frac{1}{\tilde{\beta}_1^2} \; Var(\tilde{\beta}_2) \quad + \quad \frac{1}{\tilde{\beta}_1^4} \; \tilde{\beta}_2 \; \tilde{\beta}_2' \; Var(\tilde{\beta}_1)$$
$$- \quad \frac{1}{\tilde{\beta}_1^3} \; Cov(\tilde{\beta}_2, \tilde{\beta}_1) \; 2\tilde{\beta}_2' \quad - \quad \frac{1}{\tilde{\beta}_1^3} \; \tilde{\beta}_2 \; Cov(\tilde{\beta}_1, \tilde{\beta}_2)$$

where β_i is the i^{th} element of β, or the i^{th} coefficient. and

$$Var(\theta_i) = A_i t' Var(\beta) A_i t$$

Application of the Random-Utility Model

In order to estimate the above model sincere revelations of members' preferences between two states of the world represented by the passage or defeat of a bill (s_1 vs. s_0), and a set of exogenous variables (A) that can be used to predict those preferences, must be available. Roll call votes will be used to provide the revelations of preference between two outcomes.

Demographic and socio-economic data available from the decennial census by congressional district provide variables that can be used as predictors of legislators' preferences.

In order for roll-call votes to be sincere it is generally required that they be on the final stage of a bill. Votes on prior amendments may be strategic attempts to influence the probability of the bill's final passage, or attempts to send signals to other legislators. However, the strategic-conferee theory presented above suggests that we cannot rule out such strategic action on bills even on final passage **before** going to conference. The vote on the final passage of a bill before going to conference may represent an attempt by the chamber to achieve a bargaining position in conference vis-a-vis the opposing chamber. Hence rather than use the final vote on the bill before going to conference, I will use roll call votes on the conference reports themselves. Such votes are as close as one can come to the absolute last move of the game on a piece of legislation.

The analysis will utilize appropriations for selected federal agencies for the period 1973 through 1980 (fiscal year 1974 through fiscal year 1981). Kiewiet and McCubbins have collected data on the amounts actually appropriated, the amounts proposed by both Appropriations committees, the amounts passed by each chamber, and the amounts requested by the president for these federal agencies (Kiewiet and McCubbins, 1985a). Funding for these agencies is contained in the 13 yearly appropriations bills that both Appropriations committees are expected to report every year. I will attempt to determine members' preferences for spending for these agencies.

The random utility model also requires a set of exogenous member-specific variables that can be used to predict members' preferences for appropriations. There are several types of such variables. Disaggregated macro-economic variables – – unemployment in particular – – are available from census data on congressional districts. Also, there are variables from the census data – – such as the amount of farmland in each district – – that are applicable for appropriations for certain agencies. Legislators' party affiliation and rankings by various interest groups also provide means of predicting preferences for different agencies. Republicans are expected to be more likely to support spending for Department of Defense activities. ADA scores can be used to predict opposition to defense spending, while higher National Farmers Union scores should predict support for agriculture spending. Thus my estimates of agency spending will be based on district characteristics, party affiliation, and interest-group voting scores, as well as exogenous, nation-wide macro economic variables.

Once estimates can be made of members' true ideal points, the medians of different groups can be determined. Calculating the medians is a straightforward task. An estimate of each individual legislator's ideal point can be computed using the coefficients estimated from the random utility model and the exogenous variables for the individual legislator. Since it is possible to compute the ideal point for *each* member of a committee, then it is straightforward to determine the committee median. In fact the median for any group can be calculated, including the median of the majority party members on the floor. This allows a determination to be made as to whether

the chamber wanted to appropriate more or less than the committee **without** relying on the reported figures from either group.

The Data

Most of the legislator specific variables are problematic in that they would not a priori be expected to be correlated with many of the spending variables for different agencies. There is no particular reason to expect a member's ADA score, or the available district characteristics, to predict his/her desired level of spending by the Securities and Exchange Commission or the National Aeronautics and Space Administration. However, being able to predict spending on some agencies is sufficient to perform the necessary tests.

I use the percentage change in **real** appropriations for each agency as the spending variable. Thus in the random utility model presented earlier; s_1 is defined as

$$s_1 = log(App(t)) - log(App(t-1))$$

and

$$s_0 = log(RP(t)) - log(App(t-1)),$$

where $App(t)$ represents the agencies' level of funding at time t according to the conference report, $App(t-1)$ is the actual amount appropriated for the agency in the prior year, and $RP(t)$ is the reversionary point, or the level of funding the agency would operate under if the two chambers cannot reach

an agreement on a level of funding. [14] All amounts are expressed in constant dollars. Hence for many agencies the rate of growth is negative during this period because of inflation. However, the status quo would be an even greater reduction, not zero.

Thus the model estimates the legislators' preferences for changes in spending. The independent variables are not lagged. Thus it is hypothesized that a high rate of inflation – – rather than a rising inflation rate – – will cause legislators to want to decrease each agency's spending. Similarly, it is postulated that a high rate of unemployment – – rather than a change in unemployment – – will cause legislators to wish to increase the amount of spending by each agency.

The agency-specific exogenous variables and the interest group ratings are also not lagged. Thus the models postulate that members of Congress with higher amounts of farmland in their districts will always want to increase the amount of spending by the Farm Bureau more than their colleagues will. Similarly, members with higher ADA scores are postulated to want to increase the spending by OSHA more than their colleagues. (These variables can not be lagged. Census data is only available at ten-year intervals. And it is impossible to compare ADA scores over time, though at any one point in time they expose cross-sectional variation among members of Congress.)

[Table 1a About Here]

The data becomes problematic when the existence of roll-call votes, and their results, are examined. Table 1a gives the years for which there

Table IV - 1a

Roll Call Votes on Conference Reports : FY74 - FY81

FISCAL YEAR	FY74	FY75	FY76	FY77	FY78	FY79	FY80	FY81
AGRICULTURE	H	H		H	H	H	H	H
DOD	H	H	H S	H	H	S		H S
DC	H	H	H	S		H S	S	
FOREIGN ASST.	H		H	H S	H S	H S		
HUD	H S	H	H	H	H	S		
INTERIOR	H	H	H	H		H S	H	
HEW	H S	H S	H	H S				
LEGISLATIVE	H	H	H	H	H	H		
MIL. CONST.	H S		H	H		H S	H	H
POWER/WATER	H	H	H	H	H			
STATE DEPT.	H S	H	S	H	H	H S	H	H
TRANSP. DEPT.	H	H		H	H		S	H S
TREASURY	H		H	H		H S		
EDUCATION			H S	H				
ENERGY						H S		H
EMP/PUB WORKS				H				

were roll call votes on each appropriations bill. The lack of sufficient series of Senate votes makes estimating the random utility model for the Senate impossible. Sufficient votes are available on the House side. However, many of these bills pass with margins of over 80%; meaning that there will be very

little information in each vote. The number of no-votes is extremely low. For the 8 years analyzed there are 88 no-votes on Agriculture, 294 no-votes on DoD, and 216 no-votes on Military Construction. This contrasts with 2422, 1985, and 2059 yes-votes, respectively. Hence it is not surprising that it is difficult to generate very good fits with the models for ideal points. However, the points estimated do satisfy the statistical requirement of being unbiased.

[Table 1b About Here]

Comparing the interest group ratings of the populations of no-voters to the populations of yes-voters offers some consolation (Table 1b). The two sets of voters on each bill clearly look different from each other. The mean ADA score of yes-voters on DoD bills was twice the mean ADA score of no-voters on DoD bills, and the differences between the means was significant at the 99% level. Similarly, the mean ADA score of yes-voters on Military Construction bills was almost twice the mean ADA score of no-voters on those bills, with the difference between the means again significant at the 99% level. The same held true for Agriculture legislation and NFU scores. The mean NFU score for yes-voters on Agriculture was almost twice the mean NFU score of yes-voters, with the difference again significant at the 99% level. These figures suggest that these votes do have the potential to reveal preferences. If the interested group scores are accepted to measure

TABLE IV - 1b

Means of Interest Group Scores by Vote

Ag Voters - NFU Scores		
	No Voters	Yes Voters
Mean	32.93	61.48
Std-dev	24.69	25.15
N	188	2422
DoD Voters - ADA Scores		
	No Voters	Yes Voters
Mean	83.69	36.33
Std-dev	18.85	29.66
N	294	1895
Mil-Const Voters - ADA Scores		
	No Voters	Yes Voters
Mean	77.85	39.12
Std-dev	26.72	30.66
N	216	2059

what they claim, then it would appear that the legislators are voting as utility theory would predict. More liberal legislators are opposing increased DoD spending, and legislators with low NFU scores are opposing increase Agriculture spending.

This dichotomy between yes-voters and no-voters can provide some basis for the rejection of alternative hypotheses of rollcall voting behavior. Given the position-taking pressures legislators operate under they might adopt voting rules whereby they refuse to vote in favor of legislation beyond

a certain distance from their ideal points, assuming that their constituents may not be versed in the concept of the status quo. Also, while it is assumed here that the appropriations process is a one-shot game, the fact is that it is played every year. Legislators might withhold votes from bills they prefer to the status quo, in order to influence future legislation. Hence some evidence that legislators appear to vote in a way consistent with making a choice between the status quo and the available bill is useful.

I reduced the sample to those agencies for which the necessary time series of roll call votes was available, and for which I could produce reasonable sets of independent variables that would a priori be expected to be predictors of legislators' ideal points for those agencies. These agencies are listed in Table 2a. Table 2b shows the variables used to estimate ideal points for the agencies contained in each of 4 appropriations bills.

[Tables 2a and 2b About Here]

Results

H1

Hypothesis **H1** – – that the committee will influence the chamber's report provided the strategic situation in conference is favorable to the committee – – can be tested with estimates of ideal points for members of the House only. I estimated ideal points for 13 agencies contained in the Agriculture, Department of Defense, Interior, and Military Construction bills. This means that 13 separate random-utility derived equations were estimated.

TABLE IV - 2a

Agencies used for Estimation

ag extension service	**geological survey**
soil conservation	**forest service**
rural electrification	**bureau of land mgmt**
dod procurement	**national park service**
dod personnel	**bureau of indian affairs**
dod operations & maint.	**military construction**
dod rdt&e	

The same set of independent variables were used for each set of agencies within a given appropriations bill. The results are offered in an appendix. The estimated coefficients are used to compute estimates of members' ideal points. The medians of these estimated ideal points are then used as estimates for the true medians of the various groups of legislators: the floor, the committee, majority party members on the floor, the majority party members of the committee, and the subcommittee. [15] The strategic situation for each conference was then determined based on reported figures. [16] This allowed a test of the previously specified model to measure committee influence within the chamber. The results for the test of **H1** are reported in table 3.

[Table 3 About Here]

TABLE IV - 2b

Variables Used to Estimate Ideal Points

	Agriculture	DoD	Interior	Mil-const
Pres-App	×	×	×	×
Election Year	×	×	×	×
Unemployment	×	×	×	×
Inflation	×	×	×	×
Per-Capita Income	×	×	×	×
% Non-white	×	×	×	×
% Farm-Pop.	×			
% Urban-Pop.			×	
Party	×	×	×	×
ADA Score		×		×
NFU Score	×			
West	×		×	
South	×	×		×

The two coefficients of the δ variables are the coefficients of interest: they correspond to the influence of the committee on the House bill when the ordering of preferences in the conference confers an advantage on the committee, and when that ordering gives the advantage to the floor, respectively. The coefficient of δ_1 is perversely signed, though not significant. It offers no support for the theory that the committee can influence the chamber's report based upon an advantage in conference. On the other hand, the coefficient of δ_2 is positive, and though not significant, suggests that the com-

Table IV - 3

Hypothesis H1

Dependent Variable: $\tilde{H}$		
Independent Variable	**Estimated Coefficient**	**t-Statistic**
One	4.87	0.63
Pres-App	0.66	10.39
Unemployment	-0.44	-0.66
Inflation	-0.25	-1.54
House Democrats	0.02	0.09
Election Year	2.56	2.77
$\delta_1(HC^* - H^*)$	-0.26	-1.39
$\delta_2(HC^* - H^*)$	0.41	1.46
agency dummy 1	-2.48	-1.29
agency dummy 2	-1.79	-0.93
agency dummy 3	1.82	0.77
agency dummy 4	-3.87	-1.66
agency dummy 5	-2.70	-1.32
agency dummy 6	-1.10	-0.57
agency dummy 7	-2.43	-1.27
agency dummy 8	1.11	0.51
agency dummy 9	-2.84	-1.46
agency dummy 10	-0.30	-0.16
agency dummy 11	-1.62	-0.89
N (outliers omitted)	84	
R-squared	0.76	
corr. R-squared	0.70	

mittee can influence the chamber's report in precisely those cases when the conference-committee theory predicts that the committee cannot. [When the strategic situation variable is dropped the coefficient on the difference

between the committee and chamber medians is insignificant.]

These results immediately point up a big problem in all the effort in explaining committee deference: the dependent variable doesn't exist. There is no evidence that the floor defers to the Appropriations committee in making decisions on funding for agencies of the Agriculture, Defense or Interior departments, nor for military construction. The ex-post veto theory does not hold water as an explanation for committee deference, but at least partly because there is no committee deference to explain.

Given the theoretical soundness of the notion of the ex-post veto, it remains to explain why it doesn't produce committee deference in the proscribed situations. The existence of an ex-post veto for the committee depends upon the conferees representing the committee, rather than the chamber or some other group, in conference. However, the appointment of conferees may be constrained by the chamber. In the next section I examine whether the chamber's constraint is really binding.

H2

If the committee does not have an influence on what the House reports perhaps it is because the committee is not represented in conference. Hypothesis **H2** suggests that the conferees will represent the floor Democrats, rather than the committee. At first glance, strictly speaking, the committee is represented in conference: in this entire data set fewer than 3 non-committee members were appointed to a conference committee. However, if the chamber somehow constrains the committee to appoint conferees who closely represent the chamber's viewpoint; then there is no point in looking

for committee deference stemming from the conference procedure. Membership on the committee does not necessarily indicate that a legislator is near the committee median. A central point of the theory developed above is that legislators are not homogeneous. Committee members are not identical, and will be distributed about the median. Hence the assumption that conferees selected from the committee will represent the committee median is extremely crude. Luckily, it is also testable.

Given the availability of the estimated ideal points it is possible to compare the preferences of the conferees, both to the committee and to the entire chamber. Table 4 compares the mean ideal points for the conferees, the floor, the committee, the subcommittee, and the floor democrats. Table 5a examines the differences between the conferees' mean, the floor mean, the committee mean, the subcommittees mean, and the floor Democrats' mean. [17] Table 5b examines which group is most frequently closest to the conferees' median. Table 6a compares the ordering of the conferee, committee, and House medians, while table 6b compares the ordering of the conferee, committee and House Democrat medians. Finally, tables 7, 8a, 8b, 9a, and 9b look not at the median ideal points for these groups, but at the median NFU scores for these groups for the Agriculture bill, and the median ADA scores for these groups on DoD and Military Construction bills. In none of these tables is there anything to contradict the assertion that the conferees 'represent' the committee. Not only are the conferees chosen from the committee; but they are representative of the committee in their preferences for the legislation on which they are appointed.

TABLE IV - 4

Means of Mean Ideal Points

	House	House Comm	Con-ferees	Sub-comm	House Dem	Comm Dem
Mean	-0.37	-0.38	-0.05	-0.00	1.16	0.04
Std-dev	0.10	0.04	0.02	0.02	0.08	0.03
N	95	95	95	95	95	95

TABLE IV - 5a

Means of Differences between Means

	$\lvert CF^* - H^* \rvert$	$\lvert CF^* - HC^* \rvert$	$\lvert CF^* - SC^* \rvert$	$\lvert CF^* - HD^* \rvert$	$\lvert CF^* - CD^* \rvert$
Mean	9.90	6.85	1.97	5.62	4.81
Std-dev	16.60	0.01	0.05	0.23	0.03
N	95	95	95	95	95

[Table 4 About Here]

Table 4 shows that the groups are not that different. The mean ideal point for each subgroup ranges from -0.038 (the committee) to 1.16 (the House Democrats). According to this table the conferees do appear significantly closer to the committee than to the House Democrats.

[Tables 5a and 5b About Here]

TABLE IV - 5b

Frequency of Group Closest to Conferees

		omit outliers $\lvert CF^* \rvert < 50$	omit outliers $\lvert CF^* \rvert < 20$
$\lvert CF^* - HD^* \rvert < \lvert CF^* - H^* \rvert$	**59**	**24**	**21**
	(.60)	**(.33)**	**(.37)**
$\lvert CF^* - HD^* \rvert > \lvert CF^* - H^* \rvert$	**40**	**48**	**36**
	(.40)	**(.67)**	**(.63)**
$\lvert CF^* - HD^* \rvert < \lvert CF^* - HC^* \rvert$	**32**	**16**	**13**
	(.32)	**(.22)**	**(.23)**
$\lvert CF^* - HD^* \rvert > \lvert CF^* - HC^* \rvert$	**67**	**56**	**44**
	(.68)	**(.78)**	**(.77)**
$\lvert CF^* - H^* \rvert < \lvert CF^* - HC^* \rvert$	**42**	**28**	**22**
	(.42)	**(.39)**	**(.39)**
$\lvert CF^* - H^* \rvert > \lvert CF^* - HC^* \rvert$	**57**	**44**	**35**
	(.58)	**(.61)**	**(.61)**

Rather than examining an aggregated statistic – the means of the variables – and looking for differences, Table 5a shows the average difference between the conferees' mean and the floor mean, the committee mean, the subcommittee mean, the majority party mean, and the committee Democrats' mean. If the conferees are indeed representing the committee, rather than the floor, then the conferees' mean ideal point should be closer to the committee's mean than to the floor's mean. However, the means of these two differences are statistically indistinguishable from each other. By this mea-

sure the conferees appear closer to the subcommittee than all other groups. This comes about simply because the conferees are chosen from the subcommittee. While failing a test of statistical significance, this data at least suggests that the conferees more closely resemble the committee (and the House Democrats) than they do the floor. Table 5b summarizes frequency data for this concept (using medians rather than means). It indicates that the conferees are closer to the committee more frequently than the other two groups. However, further analysis based on the logical spatial implications of the unidimensional model does not support this inference.

[Tables 6a and 6b About Here]

TABLE IV - 6a

Ordering of Medians -

Floor vs. Conferees vs. Committee

No House Influence	$CF^* \leq HC^* < H^*$	**35**	
			44
	$H^* < HC^* \leq CF^*$	**9**	
Move Towards House	$HC^* < CF^* \leq H^*$	**13**	
			22
	$H^* \leq CF^* < HC^*$	**9**	
Maverick Conferees	$HC^* \leq H^* < CF^*$	**5**	
			33
	$CF^* < H^* \leq HC^*$	**28**	

TABLE IV - 6b

Ordering of Medians -

Floor Democrats vs. Conferees vs. Committee

No Democratic Influence	$CF^* \leq HC^* < HD^*$	**50**	**65**
	$HD^* < HC^* \leq CF^*$	**15**	
Move Towards Democrats	$HC^* < CF^* \leq HD^*$	**3**	**7**
	$HD^* \leq CF^* < HC^*$	**4**	
Maverick Conferees	$HC^* \leq HD^* < CF^*$	**9**	**27**
	$CF^* < HD^* \leq HC^*$	**18**	

While the mean difference between medians may seem uninformative in distinguishing the conferees' leanings vis-a-vis the chamber vs. the committee, the ordering of the medians may be useful. The ordering reveals how frequently the conferees moved from the committee position towards the House position. Table 6a shows the frequency of the 6 possible orderings of medians for the conferees, the committee, and the floor. Table 6b shows the frequency of the 6 possible orderings of the medians for the conferees, the committee, and the floor Democrats. Table 6a shows that in only 22 out of 99 cases were conferees appointed whose median represented movement from the committee median into the expected interval between the committee median and the House median. In an additional 33 cases conferees were

appointed whose median was even further from the committee median than the House median was. Table 6b shows that in only 7 of 99 cases were conferees appointed whose median represented movement from the committee median into the expected interval between the committee median and the House Democrats' median.

[Table 7 About Here]

TABLE IV - 7

Means of Median Interest Group Scores

	House	House Comm	Con-ferees	Sub-comm	House Dem	Comm Dem
ADA						
DoD	**37.00**	**35.00**	**19.88**	**23.63**	**58.50**	**51.88**
StdDev	**6.04**	**6.95**	**13.94**	**7.69**	**7.43**	**9.92**
N	**8**	**8**	**8**	**8**	**8**	**8**
Mil. Const.	**37.00**	**35.00**	**38.88**	**50.75**	**58.50**	**51.88**
StdDev	**6.04**	**6.95**	**18.47**	**12.97**	**7.43**	**9.92**
N	**8**	**8**	**8**	**8**	**8**	**8**
NFU						
Agg	**65.25**	**66.13**	**62.23**	**64.75**	**76.88**	**75.25**
StdDev	**7.29**	**8.64**	**8.60**	**10.15**	**10.01**	**11.23**
N	**8**	**8**	**8**	**8**	**8**	**8**

The next set of tables compare interest group scores for the different

TABLE IV - 8a

Means of Differences between Median Interest Group Scores

	$\lvert CF^* - H^* \rvert$	$\lvert CF^* - HC^* \rvert$	$\lvert CF^* - SC^* \rvert$	$\lvert CF^* - HD^* \rvert$	$\lvert CF^* - CD^* \rvert$
ADA					
DoD	**18.38**	**15.13**	**7.75**	**38.63**	**32.00**
StdDev	**12.45**	**11.79**	**7.13**	**15.65**	**10.01**
N	**8**	**8**	**8**	**8**	**8**
Mil. Const.	**13.63**	**13.13**	**11.88**	**22.38**	**15.50**
StdDev	**10.36**	**11.36**	**10.83**	**16.23**	**11.05**
N	**8**	**8**	**8**	**8**	**8**
NFU					
Agg	**6.13**	**7.00**	**3.88**	**14.25**	**12.63**
StdDev	**5.72**	**5.76**	**4.55**	**11.15**	**10.72**
N	**8**	**8**	**8**	**8**	**8**

groups of legislators. ADA scores are used as measures of support for defense spending, and NFU scores are used as measures of support for agriculture spending. Table 7 indicates that the conferees for DoD appropriations are significantly more conservative than the entire chamber, however they are also significantly more conservative than the committee. The conferees appointed for legislation dealing with military construction look similar to the House and the committee. On agriculture legislation the conferees also look similar to the House and committee.

[Table 8a and 8b About Here]

TABLE IV - 8b

Frequency of Group Closest to Conferees

Interest Group Scores

	ADA	NFU
$\|CF^* - HD^*\| < \|CF^* - H^*\|$	3	2
	(.18)	(.25)
$\|CF^* - HD^*\| > \|CF^* - H^*\|$	13	6
	(.82)	(.75)
$\|CF^* - HD^*\| < \|CF^* - HC^*\|$	3	2
	(.18)	(.25)
$\|CF^* - HD^*\| > \|CF^* - HC^*\|$	13	6
	(.82)	(.75)
$\|CF^* - H^*\| < \|CF^* - HC^*\|$	4	1
	(.25)	(.13)
$\|CF^* - H^*\| > \|CF^* - HC^*\|$	12	7
	(.75)	(.87)

Table 8a appears similar to its counterpart for ideal points (table 5a): it shows that the mean distance from the conferees to the subcommittee is less than the mean distance from the conferees to any other subgroup. And it shows that there is no significant difference between the mean distance from the conferees to House and the mean distance from the conferees to the committee. By this measure the conferees appear to be further from the House Democrats than from the House. Table 8b gives the frequency data for this distance measure. It shows that the conferees are closer to the

committee than to the House or to the House Democrats in 19 of 24 cases. This is statistically meaningful, but taking into account the data in table 8a it appears that these differences that favor the committee are relatively small.

[Table 9a and 9b About Here]

TABLE IV - 9a

Ordering of Interest Group Score Medians -

Floor vs. Conferees vs. Committee

		ADA		NFU		Σ
No House Influence	$CF^* \leq HC^* < H^*$	**6**		**1**		
			10		**1**	**11**
	$H^* < HC^* \leq CF^*$	**4**		**0**		
Move Towards House	$HC^* < CF^* \leq H^*$	**0**		**0**		
			1		**0**	**1**
	$H^* \leq CF^* < HC^*$	**1**		**0**		
Maverick Conferees	$HC^* \leq H^* < CF^*$	**2**		**2**		
			5		**5**	**10**
	$CF^* < H^* \leq HC^*$	**3**		**3**		

Finally tables 9a and 9b show the frequency of the different possible ordering among the groups. In only 1 of 22 cases did the conferees' median fall within the range proscribed by the ex-post veto theory (i.e.,

TABLE IV - 9b

Ordering of Interest Group Score Medians -

Floor Democrats vs. Conferees vs. Committee -

		ADA		NFU		Σ
No House	$CF^* \leq HC^* < HD^*$	**13**		**6**		
Democrat			**13**		**6**	**19**
Influence	$HD^* < HC^* \leq CF^*$	**0**		**0**		
Move	$HC^* < CF^* \leq HD^*$	**2**		**2**		
Towards			**2**		**2**	**4**
House Dems	$HD^* \leq CF^* < HC^*$	**0**		**0**		
Maverick	$HC^* \leq HD^* < CF^*$	**1**		**0**		
Conferees			**1**		**0**	**1**
	$CF^* < HD^* \leq HC^*$	**0**		**0**		

$CF^* \in [HC^*, H^*]$). In only 4 of 22 cases did the conferees' median fall within this range if the House median is replaced by the House Democrats median (i.e., $CF^* \in [HC^*, HD^*]$).

Effects of the Conference Procedure on Final Outcomes

Finally, it would be useful to offer clarification regarding the frequently asked "who wins" question (i.e., which chamber wins) regarding conferences. Based on the preceding theory, one might postulate that the conferees determine the outcome, subject to changes made by their strategic relation to the parent chamber. The Appropriations committees should be able to jointly influence outcomes when both of their medians are higher than the maximum of the House and Senate floor medians, or when both of the committees' medians are below the minimum of the House and Senate floor medians. Theory suggests that the conference report should be higher (lower) than it otherwise would be, if the true medians of both committees are higher (lower) than the maximum (minimum) of the two parent chambers' medians.

However, the amounts reported by the parent chambers may constrain the conferees. The interval rule requires that the conferees cannot appropriate an amount outside the bound determined by the House- and Senate-passed amount. If such an amount were contained in the conference report, then the entire report would be subject to a point of order in both chambers. Also, the conferees do not vote as a unit on the conference report. Rather a majority of the conferees from each chamber must approve the conference report. Hence modeling the conference committee as a single actor is dubious. A plausible hypothesis is that the conference report is some linear combination of the House and Senate median, subject to changes if

the strategic situation provides an opportunity for the two sets of conferees to alter the outcome more towards their respective medians; i.e., report a higher figure if both sets of conferees desire more than both chambers, or report a lower figure if both sets of conferees desire less than both chambers.

This situation is further complicated because the chamber desiring the higher appropriation is at a strategic disadvantage against its stingier counterpart. To see this it is necessary to consider what would happen if the two chambers cannot agree on an appropriations figure. The simplest result is that no appropriations would occur, and the agency would be funded at level $0.00. However, this has traditionally not been the case. The "reversion point" – – the amount of funding that would occur if the regular appropriations bill has not been approved – – has generally been the previous year's funding level. Recently this has changed, and now legislation specifically provides that if agreement between the chambers for funding an agency cannot be reached then the agency will be funded at a level corresponding to the **lower** of the House or Senate passed figure. Hence if no agreement is reached the result is closer to the median of the "lower chamber". Since Euclidean preferences are assumed, this means that the lower chamber is better off with this outcome than the higher chamber. Thus with a more credible veto threat, the lower chamber should be able to achieve a result closer to its median (Kiewiet and McCubbins, 1985b).

While the resulting conference report may be postulated to be a linear combination of the Senate and House medians, the weights on each

chamber's median may change depending upon the strategic situation vis-a-vis the conferees. This effect can be captured by a switching regime model. Each strategic situation corresponds to a different regime. And the switching regime model allows separate coefficients to be estimated for cases where the Senate median would be expected to be weighted more heavily, and cases where the House median would be expected to be weighted more heavily (Madala, 1983). By comparing the coefficients it is possible to determine if the two chambers medians are being weighted differently in the two situations. There are three regime variables: ω_s, ω, and ω_h. ω_s is computed by setting it to 1 if the Senate has the strategic advantage, and 0 otherwise. ω_h is computed accordingly for the house, and ω is 1 if ω_s and ω_h are both 0, else ω is 0. Three sets of coefficients are then computed. One set is multiplied by each regime variable and corresponds to the cases where the Senate has the advantage, neither chamber has the advantage, and the House has the advantage.

$$CR = \alpha_0 + \omega_s(\beta_1 S^* + \beta_2 H^*) + \omega(\beta_3 S^* + \beta_4 H^*) + \omega_h(\beta_5 S^* + \beta_6 H^*) + \epsilon$$

where

CR is the conference report (the final appropriation)

and

$$\omega_s = \begin{cases} 1, & \text{if the senate has a strategic advantage in conference;} \\ 0, & \text{otherwise.} \end{cases}$$

$$\omega = \begin{cases} 1, & \text{if neither chamber has a strategic advantage;} \\ 0, & \text{otherwise.} \end{cases}$$

$$\omega_h = \begin{cases} 1, & \text{if the house has a strategic advantage;} \\ 0, & \text{otherwise.} \end{cases}$$

This specification also allows for estimation as to whether the conference report is biased towards either chamber's median.

As noted in the previous chapter, estimating ideal points of Senators, and hence computing medians within the chamber was impossible. This seriously cripples any attempt to understand the effect of conferee selection on conference outcomes. What is needed to estimate the preceding model is to determine the strategic advantage (or lack thereof) resulting from any configuration of medians, as well as the medians themselves. In appendix II I show that even determining the ordinal ranking of ideal points cannot be done with the available information (i.e., reported figures).

Despite the dismal prognosis on inferring actual preferences from observed figures, it is reasonably straightforward to examine whether or not **reported** figures by committees or chambers reveal anything about future success in conference. The switching regime model was estimated using reported figures as components of the weighted sum producing the conference report, and to make determinants of strategic advantage.

$$CR = \alpha_0 + \omega_s(\beta_1\widetilde{S} + \beta_2\widetilde{H}) + \omega(\beta_3\widetilde{S} + \beta_4\widetilde{H}) + \omega_h(\beta_5\widetilde{S} + \beta_6\widetilde{H}) + \epsilon$$

where

CR is the conference report (the final appropriation),

and

$$\omega_s = \begin{cases} 1, & \text{if the senate has a strategic advantage in conference;} \\ 0, & \text{otherwise.} \end{cases}$$

$$\omega = \begin{cases} 1, & \text{if neither chamber has a strategic advantage;} \\ 0, & \text{otherwise.} \end{cases}$$

$$\omega_h = \begin{cases} 1, & \text{if the house has a strategic advantage;} \\ 0, & \text{otherwise.} \end{cases}$$

The strategic advantage is based on the ordering of reported figures. A chamber has the strategic advantage if: 1) both committees are outside the interval determined by the two chambers and on the side of the interval bounded by the advantaged chamber; or 2) one committee is outside the interval determined by the two chambers and on the side of the interval bounded by the advantaged chamber, and the other committee is within the interval bounded by the two chambers.

Table VI - 1 here

Table VI - 1

advantage	N	variable	coef.	t-stat
		constant	0.04	0.22
Senate	47	senate-report	0.76	10.50
		house-report	0.18	2.95
House	37	senate-report	0.56	6.14
		house-report	0.45	5.22
neither chamber	277	senate-report	0.58	24.95
		house-report	0.37	16.11

The results did give some support to the theory that committee preferences (if the reported figures were surrogates for preferences) do influence

conference outcomes. The Senate figure was weighted significantly higher in those cases where the senate had a stratègic advantage vis-a-vis the conference procedure, compared to cases where the Senate did not have the strategic advantage. And the House figure was weighted highest when the House had a strategic advantage than when it did not. Overall the model confirmed prior researchers observations that the Senate seems to do better (based on reported figures) on appropriations conferences.

Conclusion

I have described a set of hypotheses regarding the behavior of congressional actors in the conference committee procedure. The hypotheses are theoretically motivated, assuming each actor behaves strategically to maximize his/her/its utility. While existing theory offers no unique equilibrium solution to the two-person bargaining problem, by assuming that a "split-the-difference" approach is taken I test the applicability of the Nash bargaining solution to the conference committee procedure. I have described econometric methods to test several competing hypotheses of how each committee and each parent chamber acts given its perceived preferences of other actors in the Congressional process.

I claimed that one of the contributions of this work was to apply an econometric method to a large scale test of committee influence. That task turned out to be formidable; I was not able to generate sufficiently discriminating estimates of ideal points to perform conclusive tests of the hypotheses I set out to examine. In fact, the data was not available to even estimate ideal points for one of the two chambers of Congress.

An open question then is what methodology is appropriate to test the hypotheses considered here? Appropriations bills may simply contain too many elements to test members' preferences on. There are two problems (though probably not independent ones) with these bills. First, the appropriations bills contain both levels of funding for given programs, and programatic choices. As are elections, such bills are rather blunt instruments. When someone votes against the DoD appropriations bill it may be based

on a disagreement with the types of programs being funded, not the general level of funding. Second, the conference reports are themselves products of compromise. Appropriations bills are unfortunately very good vehicles for buying votes with, for purchasing additional votes would merely require appropriating a little more money in the right direction. Hence our model of preferences for spending may be irrelevant when the legislator chooses whether to vote yes or no on a given bill.

One might be better off finding a set of amendments that seem to measure preferences more precisely (i.e., MX funding, or the number of F-15s to purchase if we are examining the Defense Appropriations bill) and trying to infer from the legislative agenda on which amendments strategic voting is *not* likely to have taken place. The assumption of sincere voting on certain amendments seems like a small price to pay for the more revealing data it would make available. Also, the independent variables could be improved upon. Specifically, federal spending by district would probably be extremely relevant to a lot of legislation, and certainly to appropriations legislation.

The conference committee and the potential strategic advantages it offered the standing committee were not found to have any influence on the final decisions of the House. It had been previously noted that conferees were almost universally chosen from the standing committee which proposed the legislation. It was assumed that this meant that the conferees would be sympathetic to the committee. In fact, the general assumption has been that the committee was a unitary actor which went to conference. However,

the selection of conferees did not appear to be designed to maximize the influence of the committee in conference; for the conferees were no more apparently sympathetic to the committee than they were to the floor.

The second hypothesis tested was that the House defers to committees. This hypothesis has been maintained by Congressional researchers for 100 years, and generated countless articles attempting to explain why it exists. However, except for Krehbiel and Rivers, previous researchers have simply utilized the success rate of committees on the floor to measure this; ignoring the possibility of sophisticated behavior by the committees. Krehbiel and Rivers did use actual preferences to test for committee deference on a single bill the Senate. I have attempted to correct the deficiencies in both types of work by estimating preferences, and doing this for a significant number of bills. I found no evidence of the deference by the floor to the appropriations committee that has been claimed to exist. The preferences of the members of the committee appeared to have no influence on the amounts the house appropriated.

Given all the emphasis placed on committees – – both by political scientists and lobbyists – – it is important that we begin to prove, rather than simply assert, their influence. Alternatively, if we discover that their influence is so hard to prove that we are forced to infer that it does not exist, then this would also be a tremendously important finding.

While all the conclusions stated here contain the implicit caveat that better data would allow better tests, they do nonetheless attempt to move forward from tests based solely on reported preferences. The tests described

depend upon knowing the true preferences of the actors involved. The use of such **preference-dependent** tests on a large body of data is viewed as a significant contribution towards identifying strategic behavior in Congress, as well as determining the facts about conference proceedings. However, the tendency of Congressional votes on final passage of bills to be lopsided consensus votes suggests that researchers will have difficulty applying the random-utility method to the large sets of votes needed to make statistically significant claims about Congressional behavior.

Notes

[1]Log-rolling explanations come in two flavors: 1-shot games or repeated games. The former depend upon preferences; the latter upon the frequency of interaction.

[2]This is a strange assumption for a researcher who simultaneously co-authored a paper on the inefficiency of public projects (Shepsle, Weingast, Johnson, 1979).

[3]Goss explained the region variable in an unconventional fashion, claiming that warmer climates might be better suited for bases. Apparently Goss had strong priors about the locations and times of year of future military engagements.

[4]Members of a committee need not report legislation that they view unfavorably. Once legislation reaches the floor it is generally managed by a member of the reporting committee and may be debated under a rule that gives committee members special privileges in introducing amendments (Bach, 1981). Even without such a restrictive rule, amendments from non-committee members may not be forthcoming, for committee members are assumed to be more knowledgeable than their colleagues about the policy area of the bill.

[5]Any member may circulate a petition to discharge a committee of a bill before it. The petition is kept by the Clerk of the House and when it has 218 signatures a motion to discharge the committee of its jurisdiction is in order. If such a motion passes, the bill is normally considered by the

House. Only 27 bills have been discharged since WWII, and only 4 of these have eventually become law. However, there is no record as to how often the threat of a discharge petition has forced a bill out of committee.

[6]Thus the committee system represents a "Simple Institutional Arrangement" (Krehbiel, 1987a).

[7]A case "ripe for obstruction" according to Krehbiel's terminology.

[8]If C comes to the floor under a closed rule then we would say that the House deferred to the committee in passing the rule, as there is no puzzle after the closed rule has passed. Under a closed rule, the House would be expected to vote for the committee proposal as a majority of the House prefers it to the status quo.

[9]The conference report is closed to amendments on the floor, unless amendments in disagreement are reported. If such amendments are reported, then they are the only sections of the conference report that are open to amendment.

[10]By reporting amendments in disagreement (i.e., failing to come to agreement on differences between each chamber's version of the bill) the conferees are foregoing their final proposer power.

[11]Since the Speaker is assumed to be an agent of House Democrats a strong alternative assumption is that he/she would appoint a group of conferees representing the median of the *Democratic* members of the House if the committee chair's proposed slate of conferees is rejected. This assumption would be consistent with the belief that members of Congress behave strategically to obtain outcomes as close to their ideal points as possible. However,

the Speaker occupies a role similar to that of a committee chair. For the Speaker to appoint conferees representing only the Democratic members of the House would be equivalent to a committee chair proposing conferees representing only the Democrats on a committee. Acts so heavy-handed are rare in Congress. For many reasons – – fear of retribution, the frequent need for votes from members of the other party, etc. – – congressional politics are not played this way. To explain this is far beyond the scope of this paper. I simply cite the observation, and use it to attempt to make a realistic assumption about the Speaker's behavior.

[12]These assumptions may seem odd taken together, for they suggest that the committee chair may nominate conferees who will be rejected. As this is never observed, it would appear that the committee chairs are more sophisticated than this. It may be that the committee chair anticipates the Speaker's reaction, and implements the Speaker's decision rule him/herself. However, the effect on the committee's influence would be the same.

[13]Strictly speaking, the preferences of members of Congress are not known. However, inferences can be drawn about the median ideal points of these four groups from bills reported and votes taken during the legislative process. Ignoring the case for strategic misrepresentation, it is assumed that the committee- and the chamber-passed bills represent their true median.

[14]According to an arrangement in effect over this period, the reversion point was well defined. If no bill was passed, and agency would be funded at the minimum of: last year's level, or any chamber's appropriation for the coming year.

[15]Fourteen agencies are actually contained in these bills, but there were no figures available for Rural Waste, Water, and Disposal Grants for fiscal year 1974 through fiscal year 1978 - making it impossible to estimate ideal points for the agency.

[16]The reported figures have all the problems discussed earlier. However, as was also discussed earlier, it is impossible to determine actual Senate ideal points given the data available. The use of reported figures should not in theory change the results here; assuming that Senate misreporting is independent of the House committee-House floor relationship.

[17]Means were used rather than medians for these comparisons because of the difficulties in determining confidence intervals around predicted values of medians.

APPENDIX I - 1

Estimates for Agricultural Agencies Ideal Points

Dependent Variable = Vote on Ag. Conference Report
(1 = lower alternative; 0 = higher alternative)

N = 2610
1 = 188 (7.20 %)
0 = 2422 (92.80 %)

	extension service	soil cons. service	rural elect. admin.
α	-1.89	-2.09	-3.55
	(0.06)	(0.29)	(2.27)
Pres-App	1.35	0.18	0.73
	(0.13)	(1.01)	(7.51)
Election Year	16.35	-7.00	-1.14
	(0.12)	(0.91)	(2.22)
Dist Unemp.	-5.65	1.42	0.11
	(0.11)	(0.31)	(0.22)
Dist Inf.	3.24	-0.94	0.09
	(0.13)	(0.76)	(0.92)
Per-Capita Income	-4.45	1.53	0.09
	(0.14)	(0.73)	(0.44)
Non-white	-0.17	0.05	0.00
	(0.12)	(0.52)	(0.54)
Farm-Pop.	3.31	-0.94	-0.13
	(0.12)	(0.67)	(1.61)
Party	11.23	-3.20	-0.44
	(0.13)	(0.69)	(1.68)
NFU Score	-12.58	3.50	0.09
	(0.12)	(0.58)	(0.17)
West	3.01	-0.91	-0.19
	(0.11)	(0.20)	(0.30)
South	2.83	-0.80	-0.10
	(0.12)	(0.68)	(1.76)
Percent corr.	92.91	92.91	93.79

APPENDIX I - 2

Estimates for DoD Agencies Ideal Points

Dependent Variable = Vote on DoD Conference Report
(1 = lower alternative; 0 = higher alternative)

N = 2279
1 = 294 (12.0 %)
0 = 1985 (87.10 %)

	procure-ment	person-nel	oper & maint.	rdt&e
α	-156.06	-26.14	-13.89	-17.36
	(1.95)	(1.87)	(2.64)	(4.71)
Pres-App	0.92	1.23	0.24	0.43
	(2.87)	(2.72)	(1.41)	(4.75)
Election	8.86	-0.41	2.92	1.87
	(1.77)	(0.27)	(5.03)	(3.59)
Dist Unemp.	-14.32	-2.97	-1.13	-1.37
	(1.38)	(1.31)	(1.57)	(1.91)
Dist Inf.	-1.37	-0.11	-0.09	-0.15
	(1.03)	(0.57)	(1.10)	(1.53)
Per-Capita Inc.	1.23	-0.50	-0.26	-0.35
	(1.21)	(2.05)	(2.46)	(4.34)
Non-white	0.10	0.02	0.01	0.01
	(1.24)	(1.16)	(1.33)	(1.64)
Party	0.65	0.12	0.05	0.07
	(1.61)	(1.54)	(1.91)	3.12)
ADA score	-31.72	-5.82	-2.39	-3.03
	(1.54)	(1.43)	(1.69)	(2.44)
South	1.48	0.32	0.12	0.15
	(1.74)	(1.66)	(2.12)	(3.70)
Percent corr.	90.26	89.95	89.86	90.35

APPENDIX I - 3

Estimates for Interior Ideal Points

Dependent Variable = Vote on Interior Conference Report
(1 = lower alternative; 0 = higher alternative)

N = 2326
1 = 172 (7.39 %)
0 = 2154 (92.61 %)

	geological survey	forest service	bureau of land mgmt.	national park service	bureau of indian affairs
α	-9.39	1.39	-12.94	8.47	-11.17
	(3.21)	(0.80)	(17.12)	(4.48)	(2.16)
Pres-App	0.21	0.22	0.40	0.56	0.17
	(7.40)	(3.71)	(44.97)	(24.10)	(1.36)
Election	3.62	6.32	3.03	-0.90	8.24
	(3.88)	(3.34)	(11.33	(1.91)	(3.78)
Dist U.	-1.11	1.67	-0.65	1.43	-1.75
	(1.88)	(3.32)	(3.35)	(3.08)	(2.23)
Dist Inf	0.12	0.24	0.01	0.00	-0.18
	(1.74)	(2.68)	(0.42)	(0.15)	(1.91)
Per-Cap Inc.	-0.03	0.24	0.60	-0.52	-0.41
	(0.28)	(1.63)	(13.44)	(5.82)	(2.27)
Non-white	0.00	-0.01	0.00	-0.00	0.01
	(0.38)	(0.63)	(0.56)	(0.57)	(0.56)
Urban-Pop	-0.00	-0.02	0.00	-0.00	0.02
	(0.05)	(1.24)	(0.07)	(0.19)	(1.15)
Party	-0.47	0.02	-0.30	0.53	-0.06
	(1.00)	(0.03)	(1.20)	(0.94)	(0.09)
West	0.01	-0.01	0.00	-0.01	0.01
	(1.34)	(0.89)	(1.65)	(1.23)	(0.92)
Perc corr.	92.61	92.61	92.61	92.61	92.61

APPENDIX I - 4

Estimates for Military Construction Ideal Points

Dependent Variable = Vote on Military Construction Conference Report
(1 = lower alternative; 0 = higher alternative)

N = 2276
1 = 216 (9.49 %)
0 = 2060 (90.51 %)

	military construction
α	-57.50
	(0.90)
Pres-App	0.63
	(3.57)
Election	-9.29
	(0.66)
Dist Unemp.	16.11
	(0.77)
Dist Inf	-0.08
	0.17
Per-Capita Inc.	-0.20
	(0.41)
Non-white	0.12
	(0.76)
Party	0.24
	(0.79)
ADA score	-35.36
	(0.78)
South	0.00
	(0.06)
Percent corr.	90.42

Appendix II

Determining Real Orderings based on Observed Orderings

There are at least four actors and their corresponding medians and reported figures to consider: the House, House committee, Senate, and Senate committee. Even this allows for a major simplifying assumption: that the President's position has no effect on the outcome. I further assume that the status quo is always below what each of the four groups desires. And I will also assume in this discussion that none of the groups either have equal preferences, or report equal figures. Relaxing this last assumption would not really change anything, but keeping it allows a greatly reduced number of cases to be considered. Given this, there are now 8 points to consider. We observe the reported figures – – $\tilde{H}$, $\widetilde{HC}$, $\tilde{S}$, $\widetilde{SC}$ – – and from these we attempt to infer the ordering of the actual figures: H^*, HC^*, S^*, and SC^*. There are 4!, or 24 possible orderings of the reported figures. If we assume that the House and Senate are symmetric then we need only consider 12 of these orderings. However, I claim that examining only 1 example of reported figures will illustrate the necessary finding.

Consider the following single case of observed figures:

Table AII - 1 Here

This single case of observed proposals suggests a problem with inferences drawn from such proposals. If we observe three or more proposals, and all actors have reason to react/anticipate all other actor's actions, then we

Table AII - 1

reported figures	possible true medians	motive to switch
$\widetilde{HC} < \tilde{H} < \tilde{S} < \widetilde{SC}$	$HC^* < H^* < S^* < SC^*$	HC bluffs S or SC
	$HC^* < H^* < SC^* < S^*$	SC bluffs HC
	$HC^* < S^* < H^* < SC^*$	S bluffs HC
	$HC^* < SC^* < H^* < S^*$	SC bluffs HC
	$HC^* < S^* < SC^* < H^*$	H bluffs HC
	$HC^* < SC^* < S^* < H^*$	SC,S bluffs HC
	$H^* < HC^* < S^* < SC^*$	HC bluffs S or SC
	$H^* < HC^* < SC^* < S^*$	HC bluffs S or SC
	$H^* < S^* < HC^* < SC^*$	HC bluffs SC
	$H^* < SC^* < HC^* < S^*$	HC bluffs S
	$H^* < S^* < SC^* < HC^*$	can't be true
	$H^* < SC^* < S^* < HC^*$	can't be true
	$S^* < SC^* < H^* < HC^*$	can't be true
	$S^* < SC^* < HC^* < H^*$	can't be true
	$S^* < H^* < SC^* < HC^*$	can't be true
	$S^* < HC^* < SC^* < H^*$	can't be true
	$S^* < H^* < HC^* < SC^*$	HC, H bluffs SC
	$S^* < HC^* < H^* < SC^*$	HC, H bluffs SC
	$SC^* < S^* < H^* < HC^*$	can't be true
	$SC^* < S^* < HC^* < H^*$	can't be true
	$SC^* < H^* < S^* < HC^*$	can't be true
	$SC^* < HC^* < S^* < H^*$	can't be true
	$SC^* < H^* < HC^* < S^*$	can't be true
	$SC^* < HC^* < H^* < S^*$	can't be true

can say next to nothing of the true underlying preferences. For an actor on the end could be bluffing in either direction. In fact, given 3 or more ordered points the only configuration of true preferences we can rule out are those with true endpoints in reversed order from where they appear in the reported figures. This means that given any observed ordering, half the true orderings could have generated it. Thus with 4 actors, there are 12 true

orderings that could have generated any single observed ordering. Hence we cannot draw any inferences of the ordering of medians based on reported figures in the chamber-chamber case.

FIGURE ONE

Configuration of Medians for Sophisticated Proposal by Committee

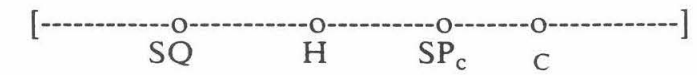


FIGURE TWO

Configuration of Medians for Committee Gate-Keeping

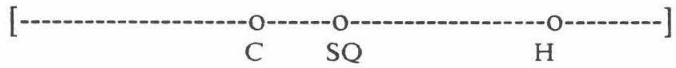


FIGURE THREE

Configuration of Medians for "Committee Deference"

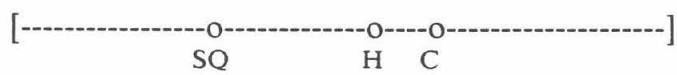


FIGURE FOUR

Configuration of Medians for Effective Ex-Post Veto

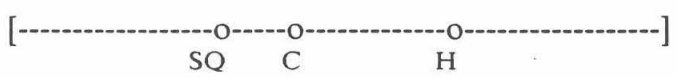


FIGURE FIVE

Configuration of Expected Proposals for Speaker to Accept Committee Conferees

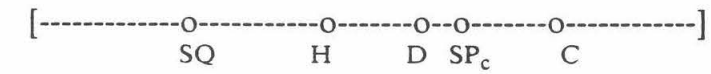


FIGURE SIX

Configuration of Medians for an Effective Ex-post Veto

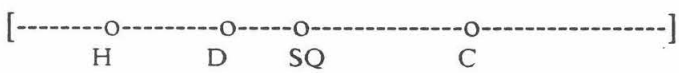


FIGURE SEVEN

Relative Medians on Minimum Wage Legislation and Expected Committee Proposal from Conference

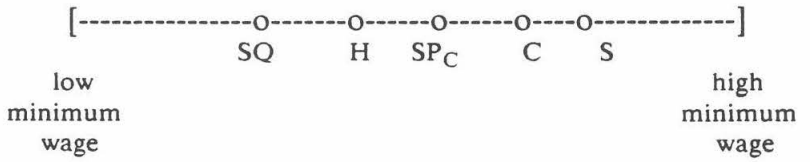


FIGURE EIGHT

Configuration of Medians for the 1977 Minimum Wage

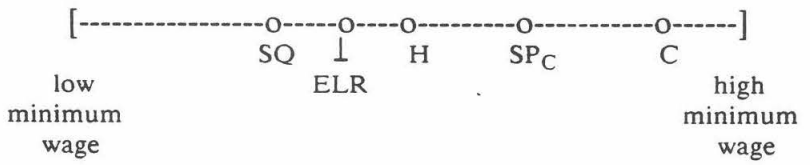
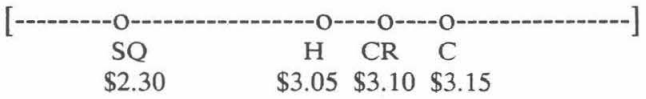
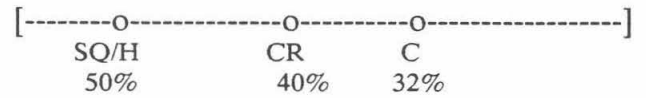


FIGURE NINE

Configuration of Proposals for the Wage Level (1980)



Configuration of Proposals for the Tip-Credit (1980)



Configuration of Proposals for the Small Business Exemption (1981)

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