Congressional Tightwads and Spendthrifts: Measuring Fiscal Behavior in the Changing House of Representatives

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RESEARCH NOTE

Congressional Tightwads and Spendthrifts: Measuring Fiscal Behavior in the Changing House of Representatives

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We evaluate fiscal behavior in the 103rd and 104th Houses using a newly defined dependent variable which separates roll-call votes by how much each bill costs or saves in federal government expenditures. This allows us to analyze how members view these as fundamentally different expressions of budgetary preferences. Party groups are shown to trade-off and substitute goals across spending and saving over time based upon majority status, leadership goal, and exogenous political pressure. The impact of region interacting with party is diminished, implying that Southern Democrats are not uniquely cross-pressured as a result of realignment.

A significant proportion of the voting electorate believed that the "Contract with America" promised greater fiscal responsibility (Thurber 1996b). Republican House leaders successfully elevated congressional spending to the top of the campaign agenda during the 1994 midterm election and subsequently highlighted the fiscal ramifications of legislation during their control of the 104th House. We evaluate the fiscal implications of members' votes in the 103rd and 104th Houses, looking at differences by party, time, and region. The central question of this research note is: for both unified and divided party government, do Democrats and Republicans respond to spending and saving measures in different ways and if so, why?

A widely held belief is that as a result of the transforming 1994 national election and a well-defined Republican agenda, individual members of the 104th Congress showed a fundamental shift in federal spending behavior, yet little has been done to analyze this notion. We examine several questions about the effects of party characteristics, change of party majority status, and

party-region interaction effects on roll-call votes measured by the contribution to federal spending *and* saving measured separately. This two-component dependent-variable approach differs from others in that the net effect of spending and saving remains disaggregated thus allowing separate comparisons.

DATA AND MEASURES

This research note analyzes fiscal behavior for House members over three periods: 409 roll-call votes in the 103rd Congress from January 1, 1993, to September 31, 1994, 573 in the 104th Congress from January 5, 1995, to April 16, 1996 (until the fiscal year 1996 budget was finally passed, six and a half months late), and 751 in the 104th Congress from January 5, 1995, to December 1, 1996 (the complete session).[1]

This allows for the comparison of full House sessions with unified party government versus divided party government, it also isolates the crucial and interesting initial part of the 104th. The rational for these staggered, overlapping time periods is that juxtaposing the period of tight leadership control plus conflict with Clinton, and the Republican behavior over the entire 104th House provides the best contrast between the initial agenda ("Contract with America") and the reality of authorizing and appropriating over a complete session with subsequent electoral consequences. After months of confrontation between the

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[1] The data set is not inclusive of the entire legislative history of the 103rd or 104th Houses. Bills and amendments are excluded if they are: joint or current resolutions with no budgetary impact, procedural reforms not directly leading to spending or savings, classified, small enough to have an impact of less than $1 million, purely regulatory, or changes in tax laws, thus reducing the number of cases by about 50 percent. In several cases there exist two bills with overlapping goals, and the bill with the smaller cost is removed to prevent double-counting. If a member supports the same spending goal in more than one bill or amendment, then the spending preference is recorded only once for that member. If a bill has differing estimates from CBO and OMB, then the lowest reduction or the greatest addition was used. In the case of reauthorization and appropriation bills, the net increase over the previous year's authorization or appropriation is counted. Since not every bill contains identical out-year cost estimations, all estimates are annualized. When five-year estimates or when estimates for each of the next five years are provided, the mean is used. When the bill does not provide data for a full five-year period, the mean of the years specified is used as the annualized amount. If the first year of the bill contained the highest cost, this figure is used as the annualized amount supplied by the NTUF. These accounting rules, designed by the NTUF, introduce a significant upward bias in the estimated financial cost of congressional legislation. As a result, using these data to make absolute inferences about the fiscal behavior of House members is not feasible. However, since the upward bias is uniform across sub-groups, between-group comparisons are valid. Such comparisons comprise the basis of this analysis.

Republican House and President Clinton and two lengthy government shut-downs, the signing of the FY1996 budget agreement on April 16, 1996, intro-duced a new political atmosphere in the budgetary process. After the agreement, Republican House members became more accommodating in the aggregate, and compromises approved by the Republican leadership allowed for funding clearly outside the conservative Republican agenda outlined in the "Contract with America" (Thurber 1997). In addition, for the purposes of this analysis, the observable effects would be even more dramatic if the 104th House were dichotomized at the April 16, 1996, cut-point. Our approach provides an opportunity to highlight potential contrasts between the periods of conflict and compromise in the 104th House, and to compare the complete divided party-government session with the complete unified party-govern-ment session of the 103rd.

These data provide an innovative measure of member fiscal behavior in which the expected cost or the expected reduction in dollars to the federal budget for each proposed law is calculated and dichotomized.[2]

A "spending" vote is one in favor of a bill or amendment that increases federal outlays, and a "saving" vote is one that specifically decreases federal spending (i.e., program cuts). The fiscal impact of each House member's vote is cross-indexed (432 in the 103rd, 437 in the 104th) and calculated as the total increase to the budget or the total decrease to the budget. The National Taxpayers Union Foundation (NTUF)[3] supplies these data along with an ordi-nal ranking of each member's "fiscal responsibility," calculated by adding all positive and negative fiscal costs of each bill voted on by each member, then ranking members by total cost.[4]

PARTISAN DIFFERENCES AND THE EXCHANGE OF POWER

The 1995 Republican control of the House provided nothing to counter the conventional finding that party affiliation is the best predictor of how a

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[2] Unfortunately, these data cannot be disaggregated by policy area. The NTUF supplies only crude categorization which they do not justify and others have attacked (see Demo-cratic Study Group, Special Report 103-37). Furthermore, categorization of these data introduces relative biases in absolute dollar figures across policy areas. We therefore take the most cautious approach and restrict ourselves to aggregate, relative analysis across groups.

[3] These data can be obtained for replication purposes either from the authors or directly from the National Taxpayers Union Foundation, 108 North Alfred St, Alexandria, VA 22314.

[4] A fundamental flaw of the NTUF rank-ordering technique is the attempt to imply inter-val measurement of ordinal data; however, the raw data remain useful and free of this defect. Although the data set is collected by the NTUF to support their policy agenda

≡ TABLE 1

HOUSE SPENDING AND SAVING MEANS BY PARTY

	103rd House		
	Rep	Dem	S. Dem
Total Spending	90,652	134,486	130,810
	(18,191)	(8,911)	(12,046)
Total Saving	-78,503	-76,149	-58,567
	(18,415)	(15,271)	(15,190)
	104th House: Through 4 / 16 / 96		
	Rep	Dem	S. Dem
Total Spending	5,524	207,353	94,654
	(5,176)	(269,317)	(202,067)
Total Saving	-25,342	-7,253	-9,979
	(32,792)	(9,657)	(14,049)
	104th House: Through 12 / 1 / 96		
	Rep	Dem	S. Dem
Total Spending	112,093	116,979	121,131
	(4,788)	(10,671)	(5,204)
Total Saving	-102,968	-61,448	-59,892
	(8,419)	(17,410)	(20,384)

Values in millions of dollars. Standard deviations in parentheses. Each pairwise party mean difference for spending and saving is bounded away from zero for 99 percent confidence intervals (assuming unequal variance) *except the two pairs enclosed by boxes in the table* whose mean difference is only bounded away from zero for confidence intervals well below 95 percent.

(reduced government spending), the original cost is listed objectively by the Congressional Budget Office (CBO) and the Office of Management and Budget (OMB). In about 5 percent of the cases, where neither of these objective sources has yet estimated the cost of a bill, the NTUF made the estimate themselves in cooperation and negotiation with the sponsor's office. This process involved extensive public discussion with congressional staff and does not suffer from the same introduced bias as the rank ordering: a difference of means test by party for the 95 percent estimated by CBO and OMB versus the 5 percent estimated by the NTUF and member offices shows no evidence of a difference (95 percent confidence interval not bounded away from zero). Given this result and the observation that our substantive findings do not change when this 5 percent of the data were excluded, we default to our data-inclusion bias.

legislator will vote (Collie 1985; Cooper and Young 1997; Rohde 1991, 1992). This is observed regardless of unified or divided party control of government. Gingrich and the leadership fostered great loyalty among the Republicans in the 104th Congress through a clear agenda (the "Contract with America"), the removal of proxy voting by chairs, appointment of chairs, and the use of the centralized budget process, all as means to control majority party voting and the overall policy program in the House (Thurber 1996b). But did the majority change and the new rules alter fiscal behavior as measured by specific spending and saving proposals? Table 1 summarizes spending and saving by party for both the 103rd and the 104th Houses, and is discussed below.

The 103rd House spending differences indicate that the Democrats are 49 percent higher on average than the Republicans. This spending difference in the first two thirds of the 104th House (up until the FY1996 budget agreement) was even more substantial: Democratic spending was *forty times higher* on average. But this changes rapidly in the remaining six months so that the mean spending difference closed to 3.4 percent. We refer to this as "learning behavior," because members of both parties adapted as the 1996 election neared (Thurber 1996d). For the Republicans this is a remarkable shift from the confrontational period of the negotiations over the FY1996 budget. In mean adjusted numbers, the Republicans moved from $5.5 billion to $112 billion, whereas the Democrats moved from $207 billion to $117 billion.

Party seems to be a more important explanatory variable for spending than saving behavior in both the 103rd and the 104th Houses. The mean savings for the Democrats and Republicans in the 103rd House is almost identical, with the Southern Democrats[5] slightly lower. The Republicans distinguish themselves in both periods of the 104th, but save only 31 percent more by mean than they did as the minority party. Interestingly, the Southern Democrats moved closer toward the non-southern Democrats once in the minority. The Southern Democrats are statistically distinct from the Republicans except for savings in the 103rd Congress. Conversely, the only non-statistically distinct difference (95 percent confidence interval not bounded away from zero) in the 104th Congress is between the Democrats and the Southern Democrats on saving votes but only for the period prior to April 16, 1996.

The more conservative behavior of Southern Democrats is consistent with that found in earlier work on congressional voting (Collie 1985). We conclude from these brief summary statistics that there is strong evidence to support the simple hypothesis that partisanship is a major correlate of spending

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[5] Southern Democrats are defined consistent with V. O. Key's (1949) classification: AL, AR, FL, GA, KY, LA, MS, NC, SC, TN, TX, VA.

and saving behavior in the House. However, the relationship is more complex than a simple dichotomous distinction: there is evidence that Republicans and Democrats substantially moderated their positions in the 104th after the FY1996 budget agreement (April 1996), converging on the same position from opposite directions.

DIFFERENCES OVER TIME

Figure 1 shows panels of spread versus level plots of positive cost (spending bills) and of negative cost (savings bills) for the 103rd Congress, and both the earlier period and complete period of the 104th House. The most striking feature of Figure 1 is the Republican party spending discipline in the first 16 months of the 104th House during the budget battle with President Clinton (panel 3). Not only are there very few deviations from the party position, but the absolute level of deviations is dramatically small.[6]

≡ FIGURE 1

SPREAD VS. LEVEL PLOTS — JITTERED GROUP MEDIANS VS. WITHIN-GROUP MADS

Panel 1: Spending Votes, 103rd House

Panel 2: Saving Votes, 103rd House
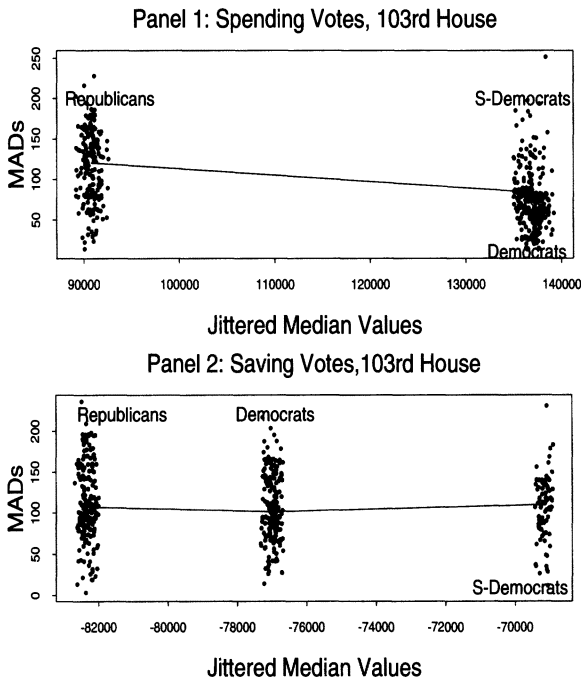
[6] The single Republican outlier position belongs to Congressman Jon D. Fox (R-PA., 13th District).

Panel 3 Spending Votes, 104th House To 4/15/96

Jittered Median Values
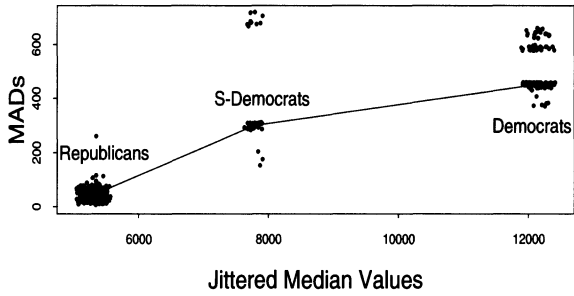
Panel 4: Saving Votes, 104th House To 4/15/96

Jittered Median Values

Panel 5: Spending Votes, 104th House Total

Jittered Median Values
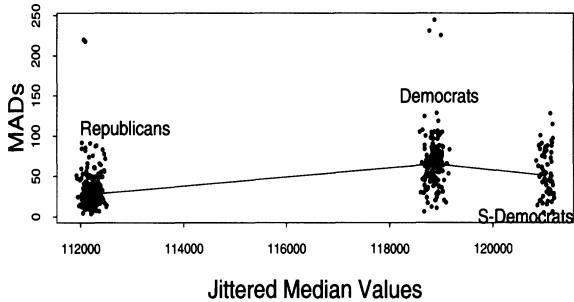
Panel 6: Saving Votes, 104th House Total

Jittered Median Values

(Figure 1 Con't.)

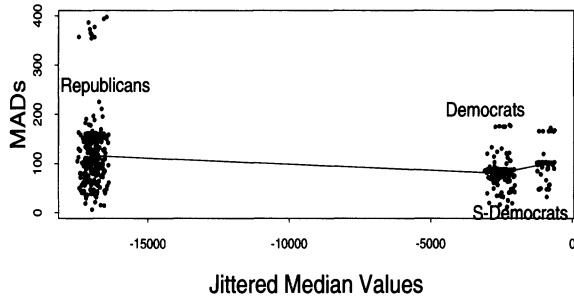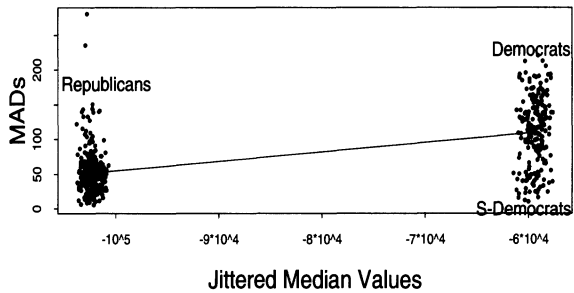Figure 1: displays Spread vs. Level plots simultaneously providing a measure of central tendency for grouped data (jittered median), and a measure of dispersion (Median Absolute Deviations). Party groups closer on the x-axis therefore have closer median positions, and groups that are more dispersed on the y-axis are more spread-out from the group median. Lines connect the median value on the x-axis with the median of the MADs. Jittering adds a small amount of imprecision distributed normally with mean zero in order to spread-out points on top of each other or nearly on top of each other in the display. The utility of paneled spread versus level plots, as displayed, is to contrast median positions across time and party while observing changes in variance as a measure of intra-party discipline.

Conversely, Republicans in the 103rd House show very little party unity on spending (Figure 1, panel 1). Possibly the Republican status as the minority party in the 103rd freed individual members from party leadership pressure since the agenda was controlled by the Democratic party. Centralized party control and the drive to cut spending and balance the budget is clearly revealed in the first 16 months of the 104th Congress. Before and after that unique period of nearly perfectly unified Republican fiscal behavior, Republicans showed considerably more individualism in spending votes.

The Democrats are a divided party on spending in the first 15 months of the 104th House as indicated in Figure 1, panel 3. Note the segmented point-cloud in the first panel for spending. This is dramatically different from the structure of Democratic positions in the 103rd House (Figure 1, panel 1). As the party in power, they demonstrated greater party unity, and even kept the Southern Democrats within the fold. The Democratic unity in the 103rd House, however, still does not come close to the Republican unity in the 104th.

The patterns for voting behavior on saving bills differs markedly from that just discussed for spending bills. Recall that a savings vote is for a net cut in a program rather than a reduction in appropriations. So the votes on savings bills have an entirely different context: they necessarily hurt some constituency. The Republicans initially reduced their mean support for cuts: $\overline{X}_{104th, first 16 mo.} = -$ \$25.342 billion, compared with: $\overline{X}_{103rd} = -$ \$78.503 billion. However the median Republican value for the 104th House ($M_{104th, first 16 mo.} = -$ \$16.923 billion) indicates left-hand side outliers (a few large negative values).

Ironically the most ideologically defined element of the Republicans in the 104th House, freshmen, supported fewer cuts in the first two-thirds of the 104th House than the Republican non-freshmen: ($\overline{X}_{freshmen} = -$ \$22.140 billion to $\overline{X}_{non-freshmen} = -$ \$26.748 billion, 99 percent confidence interval bounded away from zero). Possibly this is because the freshmen perceived themselves as electorally vulnerable and wanted to protect local projects and installations. Freshmen Republicans also supported spending to a slightly greater extent during the earlier period: $\overline{X}_{freshmen} = $ \$6.005 billion to $\overline{X}_{non-freshmen} = $ \$5.313 billion (99 percent confidence interval bounded away from zero).

Some observers suggested that the Republicans "reformed" their hard-line fiscal stance because Clinton successfully portrayed them as destructive to politically sensitive programs (Medicare, Medicaid, environmental protection, education), and responsible for two highly unpopular governmental shutdowns (Thurber 1996b). This leads to a test of the hypothesis that there was a change in Republican behavior after the government shutdowns and the final FY1996 budget agreement was made in April 1996. In Figure 1, panels 3 and 5 visually indicate that the tight Republican party discipline dissipated over time. The dense point-cloud for the Republicans in panel 3 becomes somewhat more dispersed in panel 5 indicating greater variance, and therefore less party discipline for spending behavior.

The Republican spending means, $\overline{X}_{104th, first 16 mo.}$ = $5.524 billion, $\overline{X}_{104th, full 24 mo.}$ = $112.093 billion, changed dramatically (99 percent confidence interval bounded away from zero for the difference). Attributing this twenty-fold increase in Republican commitment to spending entirely to the upcoming election may be incorrect. Recall that many executive branch agency appropriations were held up for approximately six months past the usual deadline until passage of the FY1996 budget. Some of these expenditures were delayed obligations. The phenomenally low Republican spending value for the first two-thirds of the 104th House is clearly strategic fiscal behavior in the conflict with Clinton. The final spending figures for Democrats and Republicans are not statistically distinct, and are two levels of magnitude closer than those of the earlier period.

Southern Democrats modified their behavior after the 1994 election, but Southern Republicans appear to be fairly typical with respect to the Republican rank and file in terms of spending behavior: $\overline{X}_{S.Rep}$ = $5.630 billion to $\overline{X}_{non-S.Rep}$ = $5.477 billion in the 104th House (99 percent confidence interval bounded away from zero for the difference of means), but are slightly less ambitious savers: $\overline{X}_{S.Rep}$ = $-$22.588 billion to $\overline{X}_{non-S.Rep}$ = $-$26.575 billion (99 percent confidence interval not bounded away from zero for the difference of means). This leads us to ask: is there some special characteristic about the South as a region, and does region in general affect spending and saving behavior?

INTERACTION BETWEEN REGION AND PARTY

Since the end of reconstruction, the Democratic party has dominated political life in the South (V. O. Key 1949). However, a fundamental shift has moved the Southern electorate increasingly toward the Republican party over the last 20 years (Collie 1985; Davidson 1995; Thurber 1996c). Currently, the majority of House members and senators from the South are Republicans. This realignment and its manifestation in the 1994 mid-term election has changed Congress fundamentally. One of the dominant themes of this election was the

perceived "fiscal irresponsibility" of the Democratically controlled Congress. Figure 1, panel 1 shows the Southern Democratic group as indistinguishable from the other Democrats on spending in the 103rd House. Panel 3 of Figure 1 indicates, Southern Democrats in the 104th House moved much closer to the Republican position in terms of spending bills during the period prior to the FY1996 budget agreement. This may be an indication of a retrospective threat response. In order to position themselves for re-election in 1996 in an increasingly conservative and increasingly Republican region, Southern Democrats may have felt they must distinguish themselves as more fiscally conservative than Democrats in other regions.

Southern Democrats voted to save less than the other Democrats in the 103rd House (Figure 1, panel 2). In contrast Southern Democrats were more like the other Democrats in the 104th House for both time periods. One possible explanation centers around the great Southern tradition of region-specific federal largesse ("pork"). Voting to cut slightly fewer programs than other Democrats in the 104th was a defensive strategy that enabled these members to proclaim that they were protecting local interests while still being fiscally conservative with respect to spending (Table 1). This strategy was reversed in the 103rd House because their local federal spending could be appropriated overtly and in many cases the pertinent committee chairs were Southern Democrats.

This "defensive fiscal behavior" on the part of the Southern Democrats highlights the challenge associated with being a minority faction in a broader party organization. While the party is in power, electoral success is achieved by accumulating personal power within the committee and leadership structure. Conversely, when the party is not in power, electoral success may be achieved by greater independence from the party leadership and a movement in the direction of voter realignment. This identifiable behavioral shift of the Southern Democrats infers a geographic interaction with party that produces varying levels of spending behavior.

Figure 1 provides graphical evidence that House Southern Democrats may have cross-pressures with regard to spending versus saving and region. This is an hypothesis that there is statistically significant interaction between region and party that does not show as a party marginal. However, Table 2 shows a very homogeneous pattern with respect to spending and saving votes across regions. This contrast motivates the following analysis.

Consider a generalized linear model for explaining the dependent variable, X_{ij}, which is the fiscal behavior in region i for party j in terms of spending or saving votes.

$$X_{ij} = \mu + f(\alpha_i) + g(\beta_i) + \gamma_{ij,i'j'} + \epsilon_{ij} \qquad (1)$$

where: μ is the national mean, α_i are the region effects ($i = 1,2,3,4$), β_i are the

≡ TABLE 2

HOUSE SPENDING AND SAVING MEANS BY REGION

103rd House

	West	Midwest	South	Northeast
Spending Votes	114,273.73	114,595.7	114,506.0	121,973.8
	(102,737.5)	(26,134.09)	(25,146.43)	(21,350.43)
Saving Votes	-84,872.77	-89,706.06	-83,501.05	-76,361.91
	(24,697.55)	(22,959.43)	(25,282.88)	(25,915.31)

104th House Through 4 / 16 / 96

	West	Midwest	South	Northeast
Spending Votes	101,666.10	70,275.39	49,128.48	125,428.91
	(462.85)	(424.43)	(383.95)	(478.23)
Saving Votes	-16,818.10	-21,249.90	-16,916.36	-14,268.1
	(151.91)	(183.31)	(140.16)	(170.28)

104th House Through 12 / 1 / 96

	West	Midwest	South	Northeast
Spending Votes	114,536.4	113,671.3	116,250.4	114,770.8
	(11,816.19)	(6,502.50)	(5,684.12)	(7,448.61)
Saving Votes	-84,872.77	-89,706.06	-83,501.05	-76,361.91
	(24,697.55)	(22,959.43)	(25,282.88)	(25,915.31)

Values in millions of dollars. Standard deviations in parentheses.

party effects ($j = 1,2$), $\gamma_{ij,i'j'}$ are the 6 possible interaction effects, ϵ_{ij} are the 8 residuals, and each cell is indexed through differing k. The party category has been collapsed so that the Southern Democrats are now returned to the Democrats as a whole to avoid multicollinearity effects that would arise if a party category were also defined by region.

If we treat the region effects as row variables and treat the party effects as column variables, then we can employ a fixed effects cell means model (2-way cross-classification model) to test for significance of the interaction term. A well-known requirement (Rohatgi 1976; Casella and Berger 1990) of the standard cell means model is $\epsilon_{ij} \sim i.i.d.$ $n(0,\sigma^2)$ with finite σ^2. Defining: $f(x) = \log(x)$ (spending is right skewed), and $g(y) = (-y)^{\frac{1}{4}}$ (saving is left skewed) produces residuals that are approximately normally distributed with mean zero and no evidence of heteroscedasticity. Equation (1) is now restated as:

$$X_{ij} = \mu + log(\alpha_i) + (-\beta_i^{\frac{1}{4}}) + \gamma_{ij,i'j'} + \epsilon_{ij}. \qquad (2)$$

Box (1954) showed that the sensitivity of the cell means model to residual deviances from normality is primarily a function of the degree of inequality of the category variances. Since we know:

$$\sum_i \sum_j log(\alpha_{ij}) \cong 0, \qquad \sum_i \sum_j (-\beta_{ij})^{\frac{1}{4}} \cong 0, \qquad \sum_i \sum_j \epsilon_{ij} \xrightarrow[n \to \infty]{} 0 \qquad (3)$$

directly from the model assumptions, then the expected value of the kth observation in the ith region for the jth party is:

$$E(x_{ijk}) = \mu_{ij} + \gamma_{ij,i'j'} \qquad (4)$$

from (2) and (3). Normality of the residuals (achieved by transformation above) and statement (4) lead to the following well-known and desirable result (Searle 1987): the best linear unbiased estimate of a cell population mean: $BLUE(\mu_{ij}) = \hat{\mu}_{ij} = \overline{X}_{ij}$, where: $E(\hat{\mu}_{ij}) = \mu_{ij}$, and $var(\hat{\mu}_{ij}) = \frac{\sigma^2}{n_{ij}}$. We are interested in the interaction effects from the $a = 2$ parties and $b = 4$ regions, γ_{ij}, whose sources are identified by:

$$\gamma_{ij,i'j'} = \mu_{ij} + \mu_{ij'} + \mu_{i'j} + \mu_{i'j'} \qquad where : i < i', j < j' \qquad (5)$$

There are $\frac{1}{4}ab(a-1)(b-1) = 6$ possible interaction effects (defined by the number of possible "quadrants" in the table), and there are a maximum of $(a-1)(b-1) = 3$ independent interaction effects (Miller 1981). The hypothesis test for interaction between region and party is therefore:

$$H_0 : \gamma_{ij,i'j'} = 0 \quad \forall i, j \qquad vs. \qquad H_1 : \gamma_{ij,i'j'} \neq 0 \quad \text{for any } i, j$$

So under the null hypothesis, $E(x_{ijk}) = \mu_{ij}$, from (4). The test statistic is derived directly from Cochran's Theorem (1934): $Q = SSE(H_0) - SSE(H_1)$. This is just the sum of squared errors assuming *no* interaction minus the sum of squared errors assuming interaction. The statistic Q is independent of σ^2 and has the following distributional property (Searle 1987):

$$Q' = \frac{(a-1)(b-1)Q}{\sigma^2} \sim \chi^2_{(a-1)(b-1)}$$

From Slutsky's Theorem and sufficiently large samples we get the more convenient:

$$Q' = \frac{(a-1)(b-1)Q}{\hat{s}^2} \sim \chi^2_{(a-1)(b-1)}$$

where $\hat{s}^2$ is the pooled sample variance. Surprisingly, the results for each Q'_i reported in Table 3 provide no evidence, given these data, to infer an interaction

between party and region for spending or saving in all three periods. The Southern Democrats simply do not differ enough from the other Democrats on savings behavior: 27 percent in the 103rd House, 38 percent in the first 16 months of the 104th House, and only 2.6 percent for the entire 104th House (Table 2). There is another contributing factor to this poor interaction term for saving. Republicans are disciplined in terms of spending behavior, but not as disciplined in terms of saving behavior (Figure 1), in the 104th House. This serves to weaken any potentially observable interaction effects between party and region because it diminishes the effect of fiscally conservative Southern districts belonging to Republicans.

≡ TABLE 3
RESULTS: REGION AND PARTY INTERACTION IN THE HOUSE

		SPENDING VOTES	SAVING VOTES
	Q'	0.01965	0.962387
103th House:	p-value	0.9992717	0.8103521
104th House:	Q'	0.69523	0.11127
Through 4/16/96	p-value	0.9946	0.9905
104th House:	Q'	0.010544	3.3089
Through 12/1/96	p-value	0.999713	0.3464059

Q-statistic from cell means model, p-values from $Q' \sim \chi^2_3$

The cell means model reveals a problem with analyzing the Southern Democrats as a distinct group. There is little evidence from these data that the Southern Democrats are held to a different standard than Southern Republicans by their constituents with regard to spending and saving. In fact, there is evidence in Figure 1 that Southern Republicans are also required to be conservative with regard to spending, but not at the expense of protecting local federal largesse (i.e., fewer votes to cut). This could explain why regional and party effects in the model show no evidence of an interaction effect. What makes the failure to reject the null hypothesis interesting in this case is that in doing so, we are failing to find evidence of any of the six mathematically possible interaction effects (three of which are independent) given these data. Rejecting the null hypothesis and concluding that at least one of the interaction effects is significant is in some ways a weaker result.

The behavioral shift in both spending and saving behavior relative to the other two groups shows that the Southern Democrats did have a statistically significant change in behavior between the 103rd and 104th Congresses. While

this provides evidence in support of the regional hypothesis, it does not distinguish the Southern Democrats as having electoral pressures that differ from the emergent Southern Republicans (party and region interaction).

House Democrats segmented sharply in the early 104th Congress as shown in Figure 1, panel 3. There is clearly a sub-grouping of Democrats that does not feel pressured by the Republican agenda or a perceived shift in the electorate's view on federal spending. One likely explanation for this dichotomy is a set of possible reactions to Republican budget strategies (Thurber 1996d). If a member feels electorally safe, then spending behavior does not have to be restrained. Conversely, in electorally marginal districts, a Democratic incumbent may believe that a shift toward the Republican position on spending is necessary for reelection much like the Southern Democrats discussed above. The existence of non-southern Democrats with tendencies toward the Republican positions is further explanation for the failure to find a statistically significant interaction effect between region and party. These findings are generally consistent with a large body of existing literature (Carmines and Stimson 1989; Poole and Rosenthal 1997; Cox and McCubbins 1993).

DISCUSSION

The exploration of member fiscal behavior in Congress is often difficult due to its multidimensionality. Effects such as partisanship, sophisticated voting, leadership, constituent interests, regionality, and demographics have interactive and overlapping manifestations (Rohde 1990). We have tried to distill this behavior down to member preferences for spending and saving, comparing a period of unified party control versus divided party control. Our emphasis is on the two-component dependent variable measured as spending and saving. Thus we ignore the policy content of fiscal behavior and concentrate on differences between spending and saving by party, time, and region.

Party is still a dominant correlate of voting on spending and saving votes. This finding is consistent with much of the literature (Brady 1973; Rohde 1990; Thurber 1996b; Truman 1959). Important differences were found within each of the party-groups for spending versus saving, and these patterns changed over time.

Separating spending and saving as a dependent variable avoids masking non-mirrored effects and shows how one measure of fiscal behavior (spending) is more overtly tied to election cycles. It also allows us to see how one cross-pressured group, Southern Democrats, alters their positions strategically as a reaction to a realigning electorate. In addition, House Republicans showed dramatically different patterns in spending versus saving. While the leadership was able to maintain extremely tight party discipline on spending in the 104th House, savings patterns had greater variance. These observations

show that members perceive spending and savings as substantively different activities rather than oppositely signed manifestations of the same activity.

Surprisingly this analysis based on every substantive bill in both the 103rd and 104th Houses provides no evidence to support an interaction effect between region and party for spending or saving votes. This is particularly significant given the observed seemingly unique behavior of the Southern Democrats. The implication is that the Southern Republicans are a similarly pressured, but under-studied group in Congress.

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