

# Explaining the Use and Policy Impact of Congressional Conference Committees

by

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For Linda Waters Magleby and David Blyth Magleby, to whom I owe so much.

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## ABSTRACT

Explaining the Use and Policy Impact of Congressional Conference Committees

by

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Chair: Kenneth W. Kollman

This dissertation addresses three puzzles associated with the conference process in the United States Congress. First, it seeks to explain why conference committees routinely produce bills that do not represent a compromise version of the bills initially passed by the House and Senate. I develop a method for measuring bills' relative locations, and show that the patterns in conference outcomes are inconsistent with compromise – an outcome intermediate to the versions of the bill first passed by the House and Senate. Next, I explore a majoritarian explanation that suggests that conference outcomes will be dictated by the preferences of the median member of the House and Senate, and I propose an alternative explanation that suggests that conference outcomes should be the product of the conference committee's preferences. The data provide weak support for the former explanation and very strong support for the latter.

Second, I consider the puzzling empirical regularity of deference by majoritarian institutions like the House and Senate to powerful, outlying conference committees. I present a formal theory of conferee selection where legislators have politically ori-

ented goals in addition to policy oriented goals. I also assume that legislators reach their political goals by way of interaction with interests that compete for legislators' support. These interests extend or withhold political resources in order to persuade legislators to support their position. I find that when this is the case, a majority of legislators prefer policy proposed by preference outliers.

Finally, this dissertation answers the question of why legislators use conference committees to resolve differences in some instances, but not in others. I expand upon my model and assume that calling for a conference committee is tantamount to adding additional rounds of bargaining and voting to the legislative game. Thus, conference committees provide legislators with additional opportunities for extracting political benefits from interests who wish to influence the legislative process. It follows that conference committees will be more likely in situations and for bills that deal with issues that provide ample political benefits. Data collected from the 93rd to the 110th Congresses support my claims.

# CHAPTER I

## Introduction

The Philadelphia Convention of 1787 adopted a compromise calling for a powerful new Congress with two chambers that had "different modes of election and different principles of action, as little connected with each other as the nature of their common functions and their common dependence on society will admit" (Madison, Federalist 51). Thus, in addition to making collective choices within a single assembly, this institutional innovation also required the new Congressional chambers to coordinate and compromise with a counterpart. The constitutional imperative that the House and Senate agree on any policy before it becomes law makes it no exaggeration to say that that bicameralism is the single dominant institutional feature of the United States Congress.

### Overview

The constitutional requirement for policy coordination among chambers lies at the heart of this dissertation. In particular, I focus on the use and impact of conference committees, a formal negotiation between members of the House and Senate.

The conference committee is meant to produce a bill to which both chambers can agree. These committees are appointed on an ad hoc basis, and disband once their work on a particular bill is complete. Their proposals are sent back to the House and

Senate, and are subject to up or down votes.

In this dissertation, I address puzzling empirical regularities associated with the use and policy impact of conference committees. First, why do conference committees routinely fail to produce bills that represent a middle ground between the House and Senate’s different versions of the same bill? I will show that the majority of bills conference committees produce are either more liberal or more conservative than the House and Senate versions of the same bill. I argue that these patterns are understandable if we consider political incentives directed to legislators to defer to colleagues serving on the conference committee.

Second, why would majoritarian institutions like the House and Senate routinely delegate authority to generate policy to powerful and outlying conference committees? Received wisdom and several prominent studies of Congressional behavior provide evidence that a strong norm of deference exists to name as conferees legislators with outlying preferences (Sinclair 1983; Smith 1988; Longley and Oleszek 1989). This pattern is puzzling if we only consider legislators’ policy goals. On the contrary, this empirical regularity makes sense if we consider how legislators’ political goals influence their behavior. In particular, legislators may defer to conference committees made up of policy outliers if it provides some political benefit.

Finally, why do legislative chambers opt to resolve their differences through conferences in certain circumstances, but not in others? Not all bills, including “important bills” end up passing through a conference procedure. I argue that this has to do with the availability of political benefits. As with any bill’s passage, those reported out of a conference committee must first receive the support of a majority of the House and Senate before becoming law. Conferenced bills are special in that they must successfully pass through both chambers twice in order to become a law – once before it goes to conference and once after it comes back. Almost by definition, sending a bill to conference is tantamount to subjecting it to additional rounds of bargaining

and voting. I argue that legislators will opt for a conference committee, the equivalent of calling for additional rounds, when doing so provides opportunities to extract additional political benefits from the process.

## **Contribution**

This dissertation provides a new approach to the study of conference committees, but it has implications that go beyond furnishing a better understanding of formal negotiations between the House and Senate. In what follows, I present and test a broader model of congressional behavior. My approach is not a revolutionary departure from earlier theories of Congressional organization; rather, I build upon majoritarian and distributive approaches.

Like theorists who focus on the majoritarian nature of the House and Senate, I assume that legislators are motivated by policy goals. In my conceptualization of legislative behavior, Senators and Representatives prefer some policies over others; however, I assume that legislators care about more than policy. Under the conceptualization of legislative behavior I propose here, legislators are also politically motivated. Furthermore, from a legislator's perspective, these two sources of utility are separable and (at least to some degree) interchangeable.

The way that legislators achieve their policy and political goals has important implications for legislative outcomes. I assume that the utility derived from policy is the product of bills introduced and passed by legislators. By contrast, I assert that the political benefits of the legislative process are doled out by interests not directly involved in the policy making process, but who are invested in the outcome of the process. Some of these interests want legislators to change the status quo while other interests would have the status quo remain intact. These interests compete with one another for legislators' support, and legislators side with the alternative that offers them the most utility.

The primary substantive implication of this model of legislative behavior is that Congressional institutions exist to maximize the transfer of political benefits from interests to legislators. These institutions include but are not limited to conference committees. In what follows, I argue that legislators leverage their ability (1) to propose policy, (2) to name conferees, and (3) to call or not call for a conference in order to maximize the joint policy and political benefits available through the legislative process. In this dissertation, I focus on conference committees, but further work will explore the implications of these assumptions for other Congressional institutions.

## **Dissertation Organization**

The remainder of this dissertation proceeds as follows:

Chapter II explains conference outcomes. I present methods for measuring the outcomes of conference negotiation. These methods allow me to observe that the bills produced by conference committee negotiations most frequently fail to represent compromises. I examine and test the majoritarian policy-oriented explanation for this puzzling empirical regularity. This approach asserts that the median member of the House and Senate will dictate the scope of compromise. I then present and test an alternative explanation based on the inclusion of legislators' political goals. This approach suggests that conference outcomes will be the product of the preferences of legislators serving on the conference committee. I find little evidence in support of the majoritarian approach, but strong evidence in favor of the alternative explanation. Conference outcomes are the consequence of conferee preferences.

In Chapter III, I lay out a formal theoretic version of my argument. I assume that legislators have both policy and political goals. I also assume that interests vie for legislator support by extending political benefits. The primary result in this chapter is to show that legislators will manipulate the legislative agenda in order to extract additional benefits from interests.

Chapter IV provides and tests a theory that explains why some bills end up in a conference negotiation while other bills do not. I build upon the model I present in Chapter III to consider certain factors influencing the likelihood that legislators will send a bill to conference. I find that a conference will be less likely in an environment where legislators' preferences are polarized and more likely when political benefits are abundant and concentrated on one side of an issue.

## CHAPTER II

# Explaining Conference Outcomes

### Introduction

In this chapter, I describe the types of bills produced by Congressional conference committees. I show that the bills that emerge from conference typically do not represent a compromise version of the bills initially passed by the House and Senate. I argue that the explanation for this puzzling empirical regularity lies in the identities, or more precisely, the preferences of legislators serving on the conference committee.

There are several reasons why conference outcomes make a compelling topic of inquiry. First, it is common for bills, particularly bills considered important, to pass through a conference committee. While the actual percentage depends on what qualifies as an “important bill,” by any definition a significant subset of bills pass through the conference process (Shepsle and Weingast 1987). Second, the nature of conference outcomes have important implications for positive and normative political theory. Conferences make unamendable propositions back to their parent chambers (Oleszek 2011), and those proposals are passed into law at overwhelmingly high rates (Rybicki 2007). Thus, House-Senate conferences are one of the Congressional institutions that most closely resembles a pure agenda setter suggested by positive theorists. In addition, the extent to which conference committee proposals represent the preferences of a small subset of the legislature rather than a majority, conference outcomes violate the normative value of majoritarianism. Finally, conference outcomes follow

a counterintuitive pattern where bills reported out of conference tend not to represent compromises in which the two chambers find a middle ground between the two differing versions of the same bill.

I address each of these reasons for studying conference committees in the course of this chapter; however, since it is the least self-apparent of my motivations for taking up the question of conference outcomes, it is worth briefly expanding upon how conference outcomes fail to represent compromises. For the purpose of this chapter, I define compromise as a mutual and reciprocal modification of demands by two or more actors. Under this definition, a compromise represents an intermediate outcome between the demands of two or more actors. For example, suppose Congressional chambers call for a conference committee to resolve differences between a more conservative version of a bill passed by one chamber and a more liberal version passed by the other. A compromise bill would be more liberal than the first chamber's bill and more conservative than the second chamber's; however, in a majority of cases, conferences fail to produce such compromises. In fact, more often than not (59% of the time from 1973 to 2008), a conference produces a bill that is more conservative or more liberal than both of the bills initially passed by the House and Senate.<sup>1</sup> I commit a significant portion of what follows to explaining how I reach the conclusion that conference outcomes more often than not fail to represent compromises, and I spend the balance of the chapter exploring possible reasons for this counter-intuitive empirical regularity.

My analysis addresses this puzzle and describes the conditions under which conference committees propose alternatives that go beyond both the House and Senate bills. In particular, I test majoritarian explanations against data drawn from the 105th to the 110th Congress (1973 to 2008). I subsequently present an alternative, distributive explanation for the patterns I observe. My theory assumes legislators

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<sup>1</sup>This finding is summarized in table 2.2 of this chapter.

have political goals in addition to policy goals, and suggests that it would be politically advantageous to delegate policy making authority conferees. The empirical evidence clearly supports my distributive theory over majoritarian explanations.

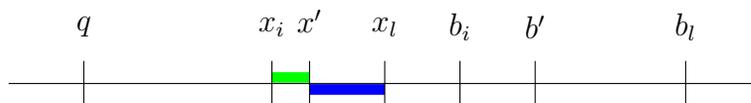
The chapter proceeds as follows. First, I describe methods for measuring bill outcomes. I use these methods to show that conference outcomes usually fail to represent compromises in that, more often than not, bills produced by conference committees are more liberal or conservative than either of the bills passed by the House and Senate. Second, I explore possible explanations for why conference committees produce bills that deviate from the House and Senate bills prior to the conference. I test predictions derived from a purely majoritarian approach to explaining conference outcomes and find little support for this explanation of conference outcomes. I then provide an alternative explanation for the patterns I observe in conference outcomes, and I find strong support for my claims. Finally, I discuss the implications of my findings for the broader understanding of legislative and institutional design.

## **Measuring Conference Outcomes**

In this section, I describe methods for measuring bill outcomes and show that those outcomes deviate from what we would expect if conference committees were producing compromise bills. I begin developing a simple model of the conference process based on a series of assumptions that make the conference process more tractable analytically. From this simple model, I develop predictions about what we would expect from the conference committee if it were producing compromises. Finally, using two different methods for measuring conference outcomes, I show that the data suggest that conference committees consistently fail to produce compromises.

My findings are puzzling in that they contrast with those I would expect from an institution meant to generate compromise and are at odds with what House and Senate rules would lead us to expect from conference outcomes. The rules of both the

Figure 2.1: Voting on legislation before and after a conference committee.



House and Senate require that legislators serving on a conference committee are “not to add new matter, reopen provisions that both chambers agreed to, or exceed the range of matters in disagreement committed to them” (Oleszek 2007, 272). That is, the rules of congress suggest that a bill proposed by the conference will fall between the bills initially passed by the House and Senate. In fact, I observe outcomes that are apparently unconstrained by the initial versions of the House and Senate bills.

### A Simple Model of Conference Negotiations

In order to measure conference outcomes, I make several assumptions about conference procedure that make the process more tractable analytically. I assume that (1) the House and Senate have passed different versions of a bill, and (2) that these bills and the bill produced by the conference committee are located along a one-dimensional continuum. To these assumptions, I add two additional anodyne assumptions: (3) that there is a status quo associated with the proposed bill, and (4) that legislators cast votes sincerely for either a bill or the status quo according to a single-peaked, symmetric utility function.

Figure 2.1 provides an example of the ways that bills and the status quo influence the ways legislators would cast their votes. I have assumed that legislators have symmetrical spatial preferences, so they will vote for the alternative, the bill or the status quo, that falls closest to their most preferred policy. In a one-dimensional space, the legislator with an ideal point at  $x_i$  is indifferent between voting for the bill located at  $b_i$  and the status quo located at  $q$ . Because  $x_i = 1/2q + 1/2b_i$ , she would be exactly halfway between the bill and the status quo. Since I have assumed utilities

to be single-peaked and symmetrical, a legislator equidistant between a bill and the status quo would prefer the two alternative equally. In figure 2.1, all of the legislators to the left of  $x_i$  prefer the status quo  $q$  and all legislators to the right prefer the bill  $b_i$ . I call  $x_i$  the cut point, it is the point at which legislators to one side prefer to vote for a bill, and all the legislators to the other side prefer to vote against the bill (in favor of the status quo).

Received wisdom about the conference committee suggests that the conference attempts to syncretize House and Senate versions of legislation. Thus, if a bill produced by a conference committee represents a compromise version of the bills initially passed by Congressional chambers, the new bill should be more liberal than the conservative version of the bill initially passed in one chamber while the opposite should hold true for the other chamber. In other words, the new bill should be located between the version of the bill initially passed by the House and the version of the bill initially passed by the Senate.

This process is represented in figure 2.1. Here one chamber has produced a more liberal bill  $b_i$  and the other chamber has produced a more conservative bill  $b_l$ . A compromise bill  $b'$  would fall between the chambers initial bills. Each version of the bill,  $b_i$ ,  $b_l$ , and  $b'$ , produces a distinct cut point in the policy space,  $x_i$ ,  $x_l$ , and  $x'$  respectively. In figure 2.1, it will always be the case that legislators with ideal points to the left of a bill's cut point will oppose a bill while legislators to the right of the cut point will support it.

Thus, a compromise version of a bill suggests that it must necessarily be more liberal than one chamber's bill and more conservative than the other chambers bill. These complementary changes in bill locations should be reflected in the cut points created by the different versions of the bill. As in figure 2.1, when a bill represents a compromise, the cut point associated with the compromise bill will likewise fall between the cut points generated by the House and Senate's initial bills.

## Vote Totals

This simple model of conference negotiations has implications for the way that legislators cast their votes in response to action taken by a conference committee. If legislators preferences are spatial, and they are considering bills against a static status quo, then a compromise bill should gain votes in one chamber and lose votes in the other; however, when I test this prediction against roll call data, voting patterns indicate that conferenced bills fail to follow a pattern suggested by compromise.

Consider how a change in a bill's location influences legislator behavior in one chamber shown in the example represented in figure 2.1. Initially, legislators in chamber  $i$  consider the the bill  $b_i$ . Legislators with ideal points to the left of  $x_i$  will prefer the status quo while legislators with ideal points to the right of  $x_i$  will prefer the bill to the status quo. The conference then produces a new bill  $b' > b_i$ . The new bill  $b'$  induces a new cut point  $x' > x_i$ . Legislators in the interval  $(x_i, x')$  initially vote for the bill  $b_i$ , but after the conference acts, they prefer  $q$  to  $b'$ . In this case, they vote *yea* on  $b_i$  but *nay* on  $b'$ . In other words, the bill should have lost support as a result of changes made by the conference committee between initial and final passage.

Now consider the voting behavior in a legislature if a conference committee produces a compromise bill. This process is also represented in figure 2.1. Here chamber  $i$  initially passes  $b_i$  and chamber  $l$  passes  $b_l$ . As suggested by rules of the House and Senate, a conference committee produces a bill  $b' \in [b_i, b_l]$ . Each of these bills produces a separate cut point,  $x_i < x' < x_l$ . If  $q < x_i$ , legislators with ideal points in the interval  $(x_i, x')$  – the interval shaded above the line in figure 2.1 – will change their votes from *yea* to *nay* in chamber  $i$ . In chamber  $l$ , legislators with ideal points in the interval  $(x', x_l)$  – the interval shaded below the line in figure 2.1 – will change their votes from *nay* to *yea*. I restate this prediction in the following hypothesis.

$H_1$ : If a conference committee produces a compromise bill intermediate to the bills

initially passed by the House and Senate, then a bill produced by a conference committee must receive more votes than the initial bill in one chamber and fewer votes than the initial bill in the other.

Legislators in different chambers will change their votes in different directions. In order to test this hypothesis, I examine vote totals from recorded votes on bills that passed both the House and Senate and then passed through the conference procedure. I limit my analysis to bills from the 93rd through the 110th Congresses using data downloaded from Keith Poole's *Voteview* website. The roll calls I examine come from data originally collected by ICPSR that were subsequently cleaned and compiled by Poole and others.

My analysis only includes part of the universe of bills sent to conference because many conferenced bills will pass a chamber by an unrecorded vote. For example, the Senate carries out much of its business using unanimous consent agreements. Likewise, the House often uses unrecorded voice votes to consider legislation (Oleszek 2011). For bills sent to conference committees in the 93rd to the 110th Congresses, 151 bills had recorded votes on initial and final passage in both the House and the Senate.

Table 2.1 reports the comparisons of vote gains and losses in the House and Senate. Only bills on which there was an initial and final passage vote in both the House and Senate are included. To draw any conclusions, I must examine patterns associated with bills that received a recorded vote on initial and final passage in both the the House and Senate. Hypothesis 1 suggests that a gain in votes in one chamber should be accompanied by a loss of votes on the same bill by the other chamber. The values I report come from comparing the the total number of *yea* votes on bills that initially passed a chambers to the total number of *yea* votes cast after the bill is reported out of conference.

An expectation of compromise also leads me to predict bills to fall either in the

Table 2.1: Changes in Vote Totals Between Initial and Final Passage Votes.

	Senate Bills that Lost Votes	Senate Bills that Gained Votes	
House Bills that Lost Votes:	50	31	81
House Bills that Gained Votes:	42	28	70
	92	59	151

$$\chi^2 = 0.04712, Pr.= 0.8282$$

bottom left or top right (the upwards sloping diagonal) of the contingency table. Bills in the cells on the upward sloping diagonal are those for which one chamber gained votes while the other lost votes between initial and final passage. Likewise, if conference committees produce compromises, I would expect that the cells in the top left and bottom right (the downward sloping diagonal) of the contingency table to be empty. In this table, the downward diagonal represents times that the House and Senate both gained or both lost votes.

The data summarized in table 2.1 provide little support for claims that conference committee systematically produces compromises. Rather than a pattern of compromise, on 78 bills out of 151 (52%) the House and Senate either gained or lost votes together – the opposite of what I would expect from a compromise. On the other hand, on 73 bills out of 151 (48%), one chamber gained while the other lost votes between initial and final passage. In short, these data do not seem to support a claim that conference committees produce compromises.

Hypothesis 1 predicts that when one chamber gains votes, the other chamber should lose votes. The null hypothesis suggests that zero sum outcomes in comparative vote totals should not be more likely than some other outcome. For these data, the  $\chi^2$  statistic of this table is 0.04712, which yields a probability 0.828 that these variables are independent, so I cannot reject the null hypothesis at any conventional

level of confidence.

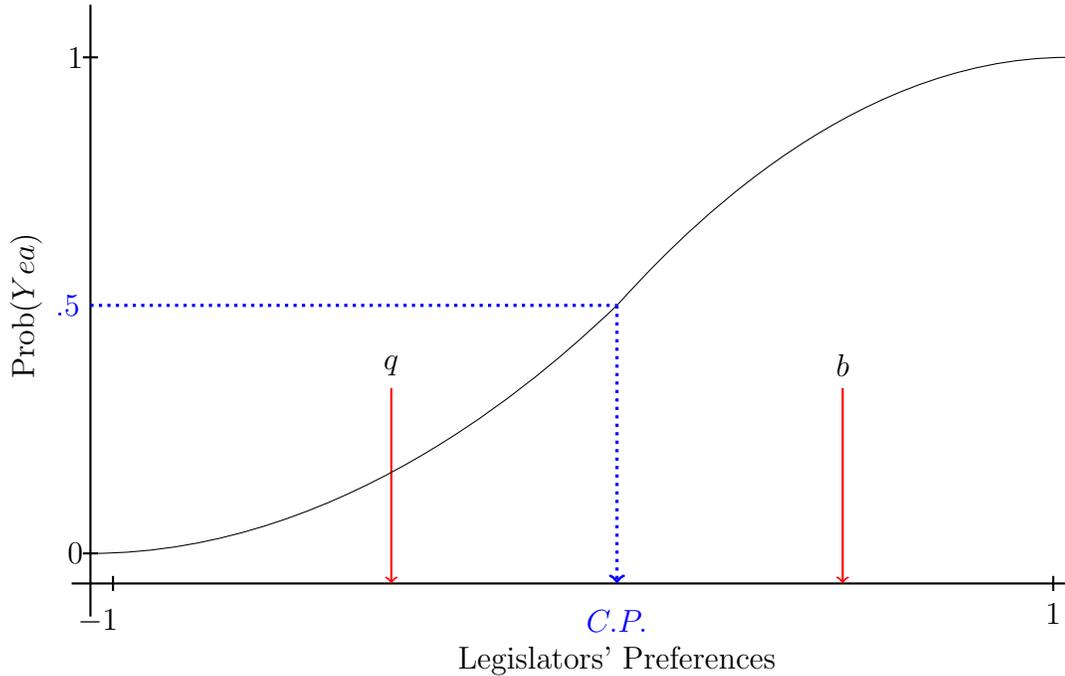
## Cut Points

Cut points provide another way to examine conference outcomes. I cannot observe the spatial location of the bill, so I develop a technique for inferring the location of a bill's cut point using a measure of legislators's preferences and the vote they cast on the bill. This amounts to observing the location of the status quo and bills indirectly. This technique requires that I rely on the insights gained from the model of conference negotiations I proposed earlier. As with vote totals, this measure of conference outcomes also indicates that conference committees consistently fail to produce compromise versions of the House and Senate bills.

In the simple model, I assumed that legislators' preferences are defined by a symmetric loss function. Intuitively, this means that a legislator prefers bills closer to her ideal point to bills further away. This same logic suggests that a legislator would be indifferent if the status quo  $q$  and proposed bill  $b$  are equally distant from her ideal point. Since she is indifferent, she will be as likely to support  $b$  as she would be to support  $q$ . Thus, her probability,  $\pi$ , of supporting a bill equals 0.5. Since the point at which a legislator would be indifferent falls exactly halfway between  $b$  and  $q$ , it is therefore equivalent to the cut point.

If I observe legislators' votes on a given bill and their spatial preferences, I can estimate the location of the cut point through a logit regression of legislators' vote on legislators' preferences. Figure 2.2 provides a representation of this method for indirectly observing the location of a bill and the status quo. The  $x$ -axis represents the policy dimension along which legislators have preferences and  $q$  and  $b$  represent the status quo and a bill respectively. The upward sloping s-curve represents the likelihood that a legislator votes *yea*. Since I have assumed legislators have spatial preferences, legislators with an ideal point closer to  $b$  ( $q$ ) will be more likely to support

Figure 2.2: Method for statistical estimation of bill cut points.



(oppose) the bill. The cut point occurs where a legislator would be as likely to vote for  $b$  as she would be to oppose it. This is true when  $\hat{\pi} = 0.5$ . Incorporate this into the logit equation, and algebra yields  $x = -\alpha/\beta$  when  $\hat{\pi} = 0.5$ .<sup>2</sup> This value represents the best estimate of the cut point associated with this bill.

Vote patterns necessary for these estimates are observable in recorded votes. Here I use Poole and Rosenthal's (1997) first dimension DW-NOMINATE scores to approximate legislators' ideal policies. First dimension DW-NOMINATE scores provide an admittedly rough approximation of legislators' ideal points in a one-dimensional space. By estimating a legislator's likelihood of voting for a bill conditional on the legislator's DW-NOMINATE score, I can find an  $\hat{\alpha}$  and a  $\hat{\beta}$  for a bill. Thus, I can estimate the DW-NOMINATE value at which a legislator would be indifferent between supporting or opposing a given bill, this value is the estimated cut point for that bill.

<sup>2</sup>Recall that a bivariate logit is calculated as follows.

$$\text{logit}(\hat{\pi}) = \ln\left(\frac{\hat{\pi}}{1 - \hat{\pi}}\right) = \alpha + \beta x$$

The simple model I presented above makes predictions about the ways these cut points will change between initial and final passage of bills. Since the compromise bill must fall between the chambers' initial bills, the model leads us expect the cut points to follow a similar pattern. The cut point from the compromise bill should fall between the cut point of the House and Senate's original bills. I state my prediction in the following hypothesis.

$H_2$ : If a conference committee produces a compromise bill intermediate to the bills initially passed by the House and Senate, then a bill produced by a conference committee should produce a cut point that is more conservative than one chamber's initial bill and more liberal than the other chamber's initial bill.

Table 2.2 presents a contingency table for cut point shifts between initial and final passage of bills that pass through the conference process. These are bills for which less than 100% of a chamber's members supported either version of the bill. I exclude bills that received no *nay* votes from the analysis because if a bill receives no *nay* votes, I may conclude that the cut point lies outside the range of legislator preferences and is therefore unobservable. Rather than make additional assumptions about the location of cut points in unanimous votes, I exclude them from the analysis. Hypothesis 2 predicts that chambers' cut points for votes on initial and final passage of a bill should shift in opposite directions. In other words, if the cut point makes a positive shift between initial and final passage in one chamber, it must make a negative shift between the initial and final passage in the other chamber.

The data summarized in table 2.2 provide scant evidence that conference committees systematically produce compromises. If the conference committees that considered these bills produced compromises, most of the bills should fall into the off-diagonal cells where one chamber's cut point shifted up and the other chamber's cut point shifted down. However, 81 bills out of 137 (59%) are located on the diago-

Table 2.2: Changes in Cut Point Location Between Initial and Final Passage Votes where a negative shift corresponds to a liberal shift in bill location and a positive shift corresponds to a conservative shift in bill location.

	Negative Shift in Senate Cut Point	Positive Shift in Senate Cut Point	
Negative Shift in House Cut Point:	40	21	61
Postivie Shift in House Cut Point:	35	41	76
	75	62	137

$$\chi^2 = 5.205, Pr. = 0.02252$$

nal and only 56 (41%) are located on the off diagonal. Notably, the table yields a  $\chi^2 = 5.205$ , which means that there is a 0.023 probability that these variables are independent and suggests a very different conclusion than the one suggested by  $H_2$ . A statistically significant pattern in cut point shifts exists; however, that pattern is precisely the opposite of the pattern suggested by  $H_2$ . In these data, a positive shift between initial and final passage in one chamber is likely to be met by a positive shift in the opposing chamber. Likewise, it seems that a negative shift in one chamber is likely met by a negative shift in the other.

These data provide very little evidence that conference committees regularly produce intermediate compromises that fall between the bills initially passed by the House and Senate. It is not necessary to observe directly the spatial location of the bills passed by the House and Senate nor the bill proposed by the conference committee. Using measures of legislators preferences and their recorded votes it is possible to estimate the cut point associated with a particular bill. The simple model I outlined here indicates that a compromise should produce a cut point that is more conservative (a positive shift) than the cut point of one chamber's bill and more liberal (a negative shift) than the other chamber's bill. In practice, conference committees do

not propose compromise systematically. Rather, on average, conference committees fail to produce a compromise.

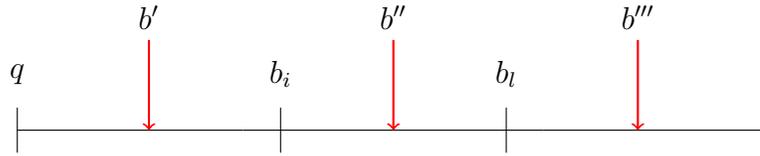
## Evaluating Majoritarian and Distributive Explanations

I have demonstrated that conference committees most often fail to produce compromises. In this section, I turn to explanations for the deviations I observe from the policies initially passed by the House and Senate. I review the logic behind claims that conference outcomes are essentially majoritarian. According to majoritarian theories of Congressional organization, the policy preferences of legislators on the chambers' floors will guide conference outcomes. I then provide an alternative explanation that conference outcomes are guided by legislators appointed to serve on the conference committees. Legislators appointed to the conference committee may not share preferences with chamber medians because of political pressures to distribute the benefits of the legislative process in particular ways. To the extent the preferences of legislators serving on conference committees differ from the preferences of the floor, majoritarian and distributive approaches generate contrasting predictions.

### Possible Explanations

The findings summarized in tables 2.1 and 2.2 suggest that conference committees often produce bills that are more conservative or more liberal than the bill originally passed by the House and Senate. Consider the location of compromise bills represented in figure 2.3. As before,  $q < b_i < b_l$ , but rather than one compromise bill located between the bills initially passed, there are three possible locations for the bill produced by conference. In the case of  $b'$ , it is closer to the  $q$  and will draw the support of more legislators in both chambers. Next,  $b''$  is located in the interval  $[b_i, b_l]$  and will draw more support than  $b_l$  in chamber  $l$  and less support than  $b_i$  in chamber  $i$ . Finally,  $b'''$  is furthest from  $q$  and will draw less support than the bills

Figure 2.3: Conference outcomes when legislators deviate from bills initially proposed by the House and Senate.



initially passed in chambers  $i$  and  $l$ . Thus figure 2.3 represents all of the outcomes summarized in tables 1 and 2. As I have shown, the two cases in which the conference committees proposal falls outside of the interval created by  $b_i$  and  $b_l$ , when the conference produces  $b'$  or  $b'''$ , do not represent compromise and occur frequently.

A majoritarian explanation of conference outcomes would assert that “objects of legislative choice in both the procedural and policy domains must be chosen by a majority of the legislature” (Krehbiel 1991, 15). The ascendancy of the majority suggests that conference committees and all other “post-floor procedures are majoritarian institutions” (211). More concretely, if the policy and procedural domains are generally one-dimensional, as is commonly assumed in a majoritarian theories of Congressional organization, then this makes the preferences of the median voter pivotal (Krehbiel 1998). Thus, rather than the bills initially passed by the House and Senate, a majoritarian model assumes conference committees generate compromise between the median members of the House and Senate.

In terms of the model I have outlined here, majoritarian explanations of conference negotiations suggest that  $b'$  and  $b'''$  will occur when both chambers’ medians fall outside of the interval created by the bills initially passed by the House and Senate. Outcomes like  $b'$  occur when the median members of the House or Senate are located towards  $q$  relative to the  $b_i$  and  $b_l$ . Alternatively,  $b'''$  occurs when the median members of the House or Senate are located away from the status quo relative to  $b_i$  and  $b_l$ .

I offer an alternative to the majoritarian approach that relies on distributive assumptions. The first of these assumptions is that legislators are motivated by political

benefits in addition to policy benefits associated with the legislative process. By political benefits I mean particularistic payouts to legislators that “are characterized by the ease with which they can be disaggregated and dispensed unit by small unit more or less in isolation from other units. . .” (Lowi 1964, 690). Second, I assume that that Congressional institutions, conference committees included, exist to direct political benefits of the legislative process to legislators in order to build and maintain coalitions to support legislative initiatives. It is these pork-barrel additions to bills that “grease the wheels” of legislative process (Evans 2004).

The presence of these political benefits introduces the possibility of biased and powerful conference committees. This possibility is demonstrated by Groseclose and Snyder who show that the type of bill considered by the chamber may alter the way that political benefits are distributed (1996). In particular, a relatively extreme proposal will focus more political benefits on moderate and median members of the chamber. Thus, even a median legislator will defer to policy outliers if deference will result in a significant political payout.

Conference committees are prime examples of powerful agenda setters that tend to be made up of legislators with preferences that are more extreme than the median member of the House or Senate. This tendency of Congressional chambers to name outlying legislators to conference committees is a long recognized empirical regularity (Sinclair 1983; Smith 1988; Longley and Oleszek 1989). Moreover, those committees have the authority to make essentially unamendable proposals back to the House and Senate (Oleszek 2011). My claim is that presence of political benefits in the legislative game leads legislators to prefer policy set by relatively more extreme conference committees, and that these proposals will not be noticeably constrained by the median members of the House and Senate.

Under this conceptualization of the conference process, the type of bill produced by the conference will be the product of the preferences of legislators serving on the

conference committee. Following this logic, an outcome like  $b'$  occurs in figure 2.3 when the conference is located towards  $q$  relative to  $b_i$  and  $b_l$ , and an outcome like  $b'''$  occurs when the conference is located away from  $q$  relative to  $b_i$  and  $b_l$ .

Conference committee procedures put a finer point on the distributive approach's general predictions about conference outcomes. House and Senate rules require that a majority of each chambers' conferees support the new version of a bill before it can be reported back to the House and Senate for a final vote (Oleszek 2007). So conference rules indicate that the median member of the House and Senate delegations to the conference committee plays the pivotal role in determining the outcome of conference negotiations. If and only if the median members of both chambers' delegations approve of the new bill will the bill become the final proposal the House and Senate consider. In what follows, I use the term *delegation* to refer specifically to the median member of the contingent of legislators sent by the House or Senate to a conference committee.

## Hypotheses

These explanations of conference outcomes suggest that compromises will not necessarily fall between the bills initially passed by the House and Senate. Rather, the majoritarian approach asserts that the conference will produce a bill that falls between the Senate median and the House median. In contrast, the alternative distributive approach that I propose claims that conference outcomes will fall between the median members of the House and Senate's delegations to the conference committee. In one sense, these are similar predictions in that both approaches assert that the conference committee proposal will be a compromise between pivotal actors; however, to the extent that the preferences of conference delegations differ from the preferences of the chamber, the predictions of these approaches diverge.

To see why this is the case let  $m_i$ ,  $i \in \{H, S\}$  represent the median members of

the House and Senate, let  $c_i$ ,  $i \in \{H, S\}$  represent the median members of the House and Senate's delegations to the conference committee, and  $b_i$ ,  $i \in \{H, S\}$  represent the bills initially passed by the House and Senate. I write the interval of chamber medians as  $[\underline{m}, \bar{m}]$  where  $\underline{m} = \min\{m_H, m_S\}$  and  $\bar{m} = \max\{m_H, m_S\}$ . Likewise, I write the interval of median members of the Chambers' delegations to the conference committee as  $[\underline{c}, \bar{c}]$  where  $\underline{c} = \min\{c_H, c_S\}$  and  $\bar{c} = \max\{c_H, c_S\}$ .

There are four arrangements of these intervals relative to the bills initially passed by the House and Senate, and these arrangements lead to three types of predictions. I summarize these predictions in table 2.3. Because they are similar, I discuss the predictions in terms of the distributive model, but these predictions are identical for similar intervals of chamber medians in the majoritarian model. If (1.)  $[\underline{c}, \bar{c}]$  and  $[\underline{b}, \bar{b}]$  are disjoint, then I would expect the conference committee's bill to fall outside of  $[\underline{b}, \bar{b}]$ , so chambers gain or lose votes in tandem. Alternatively, (2.)  $[\underline{c}, \bar{c}] \subseteq [\underline{b}, \bar{b}]$ . If this is true, I would expect the conference outcomes to be compromise versions of the bills initially passed by the House and Senate. Finally, (3.)  $[\underline{c}, \bar{c}]$  and  $[\underline{b}, \bar{b}]$  may intersect, or (4.)  $[\underline{b}, \bar{b}] \subset [\underline{c}, \bar{c}]$ . If this is the case, then roll call changes may be in tandem or zero sum. Hence, assuming that conferees' ideal points differ from the the points derived from the location of  $b_H$  and  $b_S$ , suggests outcomes that are at least consistent with the the findings presented in table 2.3.

Table 2.3: Chamber median and delegation preferences and and expected vote totals.

Type	Medians' Location	Conferees' Location	Compromise Location
1.	$[\underline{m}, \bar{m}] \cap [\underline{b}, \bar{b}] = \emptyset$	$[\underline{c}, \bar{c}] \cap [\underline{b}, \bar{b}] = \emptyset$	$b', b'''$
2.	$[\underline{m}, \bar{m}] \subseteq [\underline{b}, \bar{b}]$	$[\underline{c}, \bar{c}] \subseteq [\underline{b}, \bar{b}]$	$b''$
3.	$[\underline{m}, \bar{m}] \cap [\underline{b}, \bar{b}] \neq \emptyset$	$[\underline{c}, \bar{c}] \cap [\underline{b}, \bar{b}] \neq \emptyset$	$b', b'', b'''$
4.	$[\underline{b}, \bar{b}] \subset [\underline{m}, \bar{m}]$	$[\underline{b}, \bar{b}] \subset [\underline{c}, \bar{c}]$	$b', b'', b'''$

Table 2.3 highlights a problem of inference faced by any empirical study that

attempts to distinguish between the effect of conferees or chamber medians. If conference preferences mimic median preferences as majoritarian models suggest, it is impossible to distinguish the effect of conference preferences from the effect of the median legislators preferences. Alternatively, to the extent that conferee preferences differ from median preferences, it is possible to discriminate between the two theories.

Both the majoritarian and distributive explanations of Congressional organization make predictions about the bills proposed by conference committees. The majoritarian model suggests that the decision rules that determine legislative outcomes in the House and Senate favor the median member of the assembly. Both chambers require that at least half of each chamber's members support any policy proposal for it to become a law. Thus any change to the status quo, including bills proposed by conference committees, must be supported by the median member of both chambers in order to take effect. I use this majoritarian logic to derive the following hypothesis.

*H*<sub>3</sub>: If conference outcomes are majoritarian, then the bills proposed by conference committees should track the preferences of the median member so the House and Senate.

Hypothesis 3 is derived from the notion that chamber medians must approve of every action made collectively by a legislative chamber. Actions the chamber may take include the naming of conferees (Oleszek 2007), and therefore by extension the bills proposed by conference committees. If median preferences predominate at the conference stage, then as changes in the identities and preferences of chamber medians change this will affect the patterns of outcomes proposed by conference committees. Elections lead to changes in the median members of the House and Senate; however, the median member of either chamber is generally fixed throughout a Congress. So a test of *H*<sub>3</sub> amounts to a difference of means in the locations of bills produced by conference committees between Congresses. I will reject the null hypothesis, that

Chamber medians have no influence on conference outcomes, if there is a significant difference between conference proposals proposed in different Congresses.

My distributive explanation plays down the influence of chamber medians and instead asserts that conference outcomes are influenced by the preferences of members serving on the conference committee. This approach asserts that conference outcomes will represent a compromise between the House and Senate delegations sent to the conference. I restate this hypothesis in the following form.

$H_4$ : If conference outcomes are distributive, then bills produced by conference committees should track the preferences of legislators serving on conference committees.

So long as a majority of each chamber's delegation agrees, the conference committee has the de facto power to make any proposal it chooses to the House and Senate. House and Senate delegations to conference committees vary from bill to bill, so conference outcomes should vary accordingly. The logic I have outlined here suggests extreme (moderate) conference delegations, or more specifically, median members of a conference delegations, make more extreme (moderate) proposals back to the House and Senate. A test of  $H_4$ , therefore, consists of determining whether the bills proposed by the conference track the preferences of delegations sent to the conference committee. I will reject the null hypothesis, that delegations' preferences have no influence on conference outcomes, if delegation preferences have a significant impact on conference outcomes.

Hypothesis 4 has an important corollary. Since there are two delegations sent to any given conference, it follows that the influence of one delegation will be conditional on the preferences of the other. I state this as an independent hypothesis.

$H_5$ : If the House and Senate delegations to a conference committee share preferences over conference outcomes, then the bill proposed by the conference committee will be more likely to represent the conference committee's preferences.

Delegations' influence on one another is important in two related ways. (1) If delegations have very different preferences, predictions about what the conference committee will do necessarily become less precise. Since conference proposals will come from the interval between delegations, smaller intervals produce more precise predictions, and larger intervals produce less precise predictions. (2) Conferences in which both delegations are extremely liberal will be more likely to produce extremely liberal proposals, and conferences in which both delegations are extremely conservative will be more likely to produce extremely conservative outcomes. So if the more moderate of the two delegations is still relatively extreme, I expect the conference to produce a more extreme proposal.

A test of  $H_5$  consists of examining the interactive effect of the two delegations' preferences. I will reject the null hypothesis, that the effects of delegations's preferences are independent. Similarly, as the absolute location of the conference becomes more extreme, the predicted effect of the delegations' preferences should get stronger. Here, I will reject the null hypothesis, that the absolute location of the conference committee has no influence on the type of bill produced by the conference, if the preferences of House and Senate delegations have no interactive effect.

## Data

In order to test these hypotheses, I must have measures of the locations of chamber medians, delegation location, and bill location. To identify the locations of median members of the House and Senate delegations to the conference committees, I rely on data drawn from *Calendars of the United States House of Representatives and History of Legislation (HC)* to learn which legislators served on the conference committee. The *HC* contains the legislative histories of every bill reported out of committee in the House and Senate and, if the bill goes to conference, and information about which legislators are appointed to serve as conferees. For the purpose of this analysis, I limit

the period of inquiry to the period from the 106th Congress which began in 1996 to through the 110th Congress which ended in 2008. Searchable versions of the *HCs* for this period are easily accessible through the Government Printing Office. While limited, this period includes variance in the location of median members of the House and Senate. My period of inquiry also includes two instances in which control of the the Senate changed partisan hands, and one in which the House changed hands.

To find the location of the House and Senate delegations, I rely on Poole and Rosenthal's first dimension DW-NOMINATE scores. These points vary from  $-1$  to  $1$  with points to the bottom end of the interval considered to be more liberal and points towards the higher end of the interval considered to be more conservative. I combine these scores with information about conference committee membership from the *HC* in order to determine which legislators occupied the median position from the House and Senate delegations to the conference. I can also use DW-NOMINATE scores to determine which legislators occupied the median position from the House and Senate. I report summary statistics for the chamber medians and House and Senate delegations for the period of study in table 2.4. In what follows I refer to the delegation with a lower DW-NOMINATE score as the liberal delegation and the delegation with the higher DW-NOMINATE score as the conservative delegation.

I take the direction a bill shifts between initial and final passage as the dependent variable for this analysis. As before, I cannot observe the actual location of the bill, so I use a logistic regression of DW-NOMINATE scores on recorded votes to estimate the location of a bill's cut point. This is the same technique I used to measure cut points earlier.

The logit estimates I use for cut points also reveal the relative location of  $q$ . A positive logit slope implies that  $q$  is located to the left of the space, and a negative slopes implies that  $q$  is located to the right side of the space (Cox and McCubbins 2005, Stiglitz and Weingast 2010). To normalize the data, for all bills for which

Table 2.4: Summary statistics for variables that may influence conference outcomes.

Congress	Senate Median	House Median	Mean Liberal Delegation (SD)	Mean Conservative Delegation (SD)
106	0.115	0.13	0.04972 (0.228)	0.2137 (0.216)
107	0.004	0.145	-0.1840 (0.173)	0.3086 (0.064)
108	0.095	0.202	0.1652 (0.158)	0.2794 (0.161)
109	0.197	0.224	0.1972 (0.082)	0.3027 (0.046)
110	0.023	-0.128	-0.2056 (0.18)	-0.09264 (0.19)

I estimate a negative slope for the initial roll call, I multiply all observed values associated with that bill by  $-1$ . This transformation allows me to assume that the influence of  $\underline{c}$  and  $\bar{c}$ 's location will be uniform across all cases.

I compare the location of the first cut point,  $x_i$  to the location of second cut point,  $x'$ . If it made a positive shift ( $x_i < x'$ ), I code the shift as 1, if it made a negative shift ( $x_i > x'$ ), I code the shift as 0. Following convention, I refer to a positive shift (from left to right) in the normalized location of the bill as a conservative shift in bill location. All bills in the sample shifted between initial and final passage, so this coding of the dependent variable is mutually exclusive and collectively exhaustive. In order to observe these changes in bill location, I use roll call data from the vote on the initial and final versions of the bill. From the 106th to 110th Congresses, there were 163 instances in which a bill received two votes in the House or Senate.

## Estimation Strategy

I now discuss a method for estimating the effects of chamber medians and conference delegations on conference outcomes. In what follows, I take the conference process to be probabilistic. Such an approach is necessary given my indirect measure of bill location, estimated bill cut points. I consider how to test the implications of a majoritarian explanation of conference outcomes. I then present a strategy for testing the implications of my distributive explanation of conference outcomes.

A test of the implications of a majoritarian explanation of conference outcomes amounts to examining the difference in the mean likelihood of a conservative change in bill locations from Congress to Congress. With a few exceptions, the median member of the House and Senate are essentially fixed throughout a Congress. Relative stability in the identities of median members of the House and Senate means estimating the implications of the majoritarian explanation, that conference outcomes will be conditional on the preferences of median members of the House and Senate, amounts to comparing patterns of bill outcomes from one Congress to another. The likelihood of a conservative shift from the version of the bill initially considered by the House or Senate to the version of the bill proposed by the conference committee should change when the identities of the median legislators change.

Given the nature of my data, a logit model is appropriate for testing the influence of chamber medians and conference delegations on conference outcomes. The dependent variable in this analysis is a binary measure of whether a bill makes a conservative shift as a result of conference deliberations. To examine the implications of the majoritarian model, I estimate the likelihood that a bill makes a conservative shift conditional on Congressional period. If the conference committee produces a bill that represents a compromise between House and Senate medians, I should observe a difference in coefficients that correspond to changes in median preferences.

A test of my explanation of conference outcomes is more complicated. The pref-

erence of conference delegations change from bill to bill, a test for my explanation consists of determining whether a conservative change in bill location is conditional on the preferences of conference delegations. To see why this is the case, suppose chamber  $i$  has a cut point  $x_i \in [-1, 1]$  where  $q < x_i < b_i$ , as is the case with the normalized version of my data. Suppose also that the space between delegations,  $[\underline{c}, \bar{c}]$ , is stable by which I mean that for any point outside the interval between delegations, both delegations prefer at least one point inside the interval. In other words, regardless of the location of the bill initially passed by a legislative chamber, the conference committee will propose an alternative bill that fall inside the interval created by the House and Senate delegations. The stability of the interval created by the House and Senate delegations implies that for a cut point to shift in a positive direction,  $b_i \in [x_i, \underline{c})$ , where  $b_i$  is bill initially passed by chamber  $i$ .<sup>3</sup> Since I cannot observe the location of the bill,  $b_i$ , initially passed by chamber  $i$ , I assume that possible values of  $b_i$  are distributed over the interval  $(x_i, 1]$  according to some probability density function,  $f(\cdot)$ . I make the additional, technical assumption that  $f(\cdot)$  assigns a positive probability density for every point in the space  $(x_i, 1]$ . Hence, as the value of  $\underline{c}$  increases, the probability that  $b_i \in [x_i, \underline{c})$  increases monotonically.

This argument has an intuitive interpretation. Bills initially passes by the House and Senate that fall below the interval created by the House and Senate delegations will be altered by the conference committee in such a way that the conference proposal will fall in the interval  $[\underline{c}, \bar{c}]$ . I have estimated the location of the cut point  $x_i$ , but cannot be certain of the location of  $b_i$ . As the more liberal delegation becomes more conservative,  $\underline{c}$  increases, I expect that the probability that  $b_i < \underline{c}$  will go up. If this inequality holds, any change to  $b_i$  by the conference committee will entail a conservative shift, so  $b_i < b'$ . Therefore, the likelihood of a conservative shift increases as the more liberal delegation to the conference committee becomes more conservative.

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<sup>3</sup>When  $x_i < q$ , the condition reverses, so  $b_i \in (\underline{c}, x_i]$  must be true for a negative shift.

This logic is reversed in the more conservative delegation,  $\bar{c}$ , and liberal shifts more likely when the more conservative delegation takes a more liberal position. Consider instances in which  $q < x_i$ , liberal shifts occur when  $b_i > \bar{c}$ .<sup>4</sup> As before, suppose that  $x_i \in [-1, 1]$  where  $q < x_i < b_i$ . The same assumptions about  $f(\cdot)$  are active here and have similar implications. More extreme conservative delegations, higher values of  $\bar{c}$ , imply lower likelihoods of a liberal shift.

The intuition of the conservative delegation's effect is also similar to that of the liberal delegation, but reversed. I have assumed that conference proposals will fall in interval between House and Senate delegations. If the bill initially passed by a chamber falls above the interval  $[\underline{c}, \bar{c}]$ , the delegations will alter it by generating a proposal that shifts policy in a liberal (negative) direction from  $b_i$  to some  $b' \in [\underline{c}, \bar{c}]$ . I do not observe  $b_i$  directly, but I assume that higher values of  $\bar{c}$  imply a smaller probability that  $\bar{c} < b_i$ . Thus, as  $\bar{c}$  becomes more conservative, it becomes less likely that the shift from  $b_i$  to  $b'$  will be in the more liberal direction. Put another way, higher values of  $\bar{c}$  suggest that a conservative shift in bill location will not become less likely.

These predictions have to do with the interval created by  $\underline{c}$  and  $\bar{c}$ , the liberal and conservative delegations respectively. Crucially, the effect of one delegation is conditional on the influence of the other delegation. In particular, as  $|\underline{c} - \bar{c}|$ , the interval between delegations, gets larger, predictions in conferee influence on changes in cut points become less precise. To see why this is the case, consider conditions of type 3 and 4 in table 2.3 are more likely to occur when  $|\underline{c} - \bar{c}|$  is large. When  $b_i \in [\underline{c}, \bar{c}]$ , the model makes no specific predictions about how conferees will manipulate policy. However, configurations of type 1 and 2, which are more likely when the interval between  $\underline{c}$  and  $\bar{c}$  is small, suggest particular directional shifts. In particular, if  $b_i$ 's location is lower (higher) than the House and Senate delegations to conference, the

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<sup>4</sup>Alternatively, when  $x_i < q$  liberal shifts occur when  $b_i < \bar{c}$ .

model suggests that  $b'$  will be higher (lower) than  $b_i$ . A larger interval between delegations makes a configuration of type 3 or 4 more likely. Stated more intuitively, as the interval between conferees gets smaller, a directional change to  $b_i$  becomes more likely. The interactive effect of  $\underline{c}$  and  $\bar{c}$  extends to the absolute location of the interval. That is to say, a positive (negative) shift is more likely for the higher (lower) intervals.

To evaluate the implications of my explanation of conference outcomes, I again use a logit model to test the likelihood of a conservative shift in bill location conditional on the preferences of the delegations sent to conference committees by the House and Senate. If my claims are correct and delegations' preferences guide conference outcomes, more conservative delegations should result in an increase in the likelihood of a bill making a conservative shift as the result of the conference committee process. This prediction carries one important caveat; the influence of one delegation is conditional on the preferences of the other delegation. My explanation implies that a conservative delegation is associated with an increased likelihood of a conservative shift in bill location only when the other conference delegation is relatively conservative. The conditional nature of the relationship between conference delegations implies that my analysis should include an interactive term for the influence of conservative and liberal delegations to the conference committee (Brambor, Clark, and Golder 2005).

## Findings

Table 2.5 presents the findings associated with the logit estimates of likelihood of a conservative change in bill location in the normalized data. Overall, my findings support my theory's main claims that the preferences of legislators serving on the committee strongly influence the bills produced by conference committees. The findings provide very little support for assertions that the conference outcomes are

Table 2.5: Logit estimates of the effect of chamber delegation and chamber median preferences on conservative shifts in bill location between initial and final (post-conference) passage.

	(I)	(II)	(III)
	Estimate	Estimate	Estimate
	(S.E.)	(S.E.)	(S.E.)
Liberal Delegation	-6.134 ( 2.162)	.	-6.198 ( 2.513)
Conservative Delegation	5.866 ( 2.096)	.	4.904 ( 2.442)
First CP $\times 10^7$	-3.48 ( 1.91)	-3.73 ( 1.99)	-3.89 ( 1.97)
106th Congress	.	1.43 ( 0.936)	1.381 ( 1.037)
107th Congress	.	2.261 ( 0.968)	1.737 ( 1.202)
108th Congress	.	1.368 ( 0.971)	1.542 ( 1.099)
109th Congress	.	1.54 ( 0.956)	1.878 ( 1.1)
M. Del. $\times$ E. Del.	12.336 ( 6.174)	.	13.066 ( 6.405)
(Intercept)	-1.688 ( 0.647)	-1.604 ( 0.888)	-3.007 ( 1.123)
N	163	163	163
<i>Deviance</i>	195.02	197.964	191.302
$-2LLR(Model\chi^2)$	30.449	27.504	34.166
<i>AIC</i>	205.02	209.964	209.302

majoritarian. I review the results of the analysis with regards to majoritarian claims of dominance of conference outcomes by chamber median. Then I turn to results relevant to the alternative explanation I have proposed. Finally, I discuss a final specification of the model in which both explanations, majoritarian and distributive, are tested in tandem.

#### *Majoritarian Explanation*

The majoritarian model asserts that the median members of the House and Senate will exercise significant influence on the types of bills produced by the conference

committee. I examine the merits of this claim in model (II) of table 2.5. At best, these estimates suggest mixed conclusions regarding the effect of chamber medians on conference outcomes.

Hypothesis 3 indicates that conference proposals should track the median members of the House and Senate change. Since the identities and therefore the policy preferences these legislators are fixed throughout a Congress, evaluating  $H_3$  amounts to examining the difference in means in conference outcomes between Congresses. A significant difference between Congresses would lead me to reject the null hypothesis. In this case, the null hypothesis is that median members of the House and Senate exercise little or no influence over the proposals made by conference committees.

The logit estimates summarized in model (II) provide very little support for claims that changes in the median member of the House or Senate will result in a change in the types of proposals struck in Conference. Model (II) estimates differences in means using dummy variables for the 106th to the 109th Congresses treating the 110th Congress as the baseline. Holding the location of the initial cut point constant, the 107th Congress was more likely to have a positive shift in cut points compared to the baseline case, the 110th Congress. Notably, the standard error associated with the estimated coefficient for the 107th Congress suggests a probability of 0.019 that the 107th Congress and the 110th Congress were equivalent in terms of the likelihood of a conservative shift in cut points between initial and final passage. No coefficient associated with another Congress in the sample rose to a conventional level of statistical significance. It also bears mentioning that while the 107th and 110th Congresses differ, the 107th Congress is not statistically different from any other Congress in the sample. The 95% confidence intervals for the dummy variables included in model (II) are reported in table 2.6, and all of them overlap.

These estimates suggest that there is a statistical difference between the 107th Congress and the baseline case, the 110th Congress. In the 107th, there was a proba-

Table 2.6: 95% confidence intervals for the odds ratios for the likelihood of a positive shift in bill location by Congressional period.

	2.5%	97.5%
106th Congress	0.8	37.56
107th Congress	1.73	91.1
108th Congress	0.7	37.12
109th Congress	0.9	43.14

bility of 0.6585 that there would be a positive shift between initial and final passage. Among the Congresses included in the sample, the 110th Congress, had the lowest probability of a positive shift between initial and final passage, 0.1674. To be sure, a difference of 0.4911 is a substantively meaningful difference between the likelihood that there would be a positive shift in the bills location; however, in the context of this model, this difference is less convincing. The 107th Congress appears to be different from the 110th, but there is very little evidence that the 107th is different from the 106th, 108th or 109th congresses. The overlapping confidence intervals associated with the likelihood of a conservative shift are presented in table 2.6.<sup>5</sup> In short, there is insufficient evidence to reject the null hypothesis associated with a majoritarian explanation for the bills I observe the conference committee to produce.

*Distributive Explanation*

There is considerably more evidence to support my theory’s principle claims about conference outcomes. My findings are summarized in model (I) in table 2.5. Model (I) estimates the influence of delegations sent to the conference by the House and Senate.

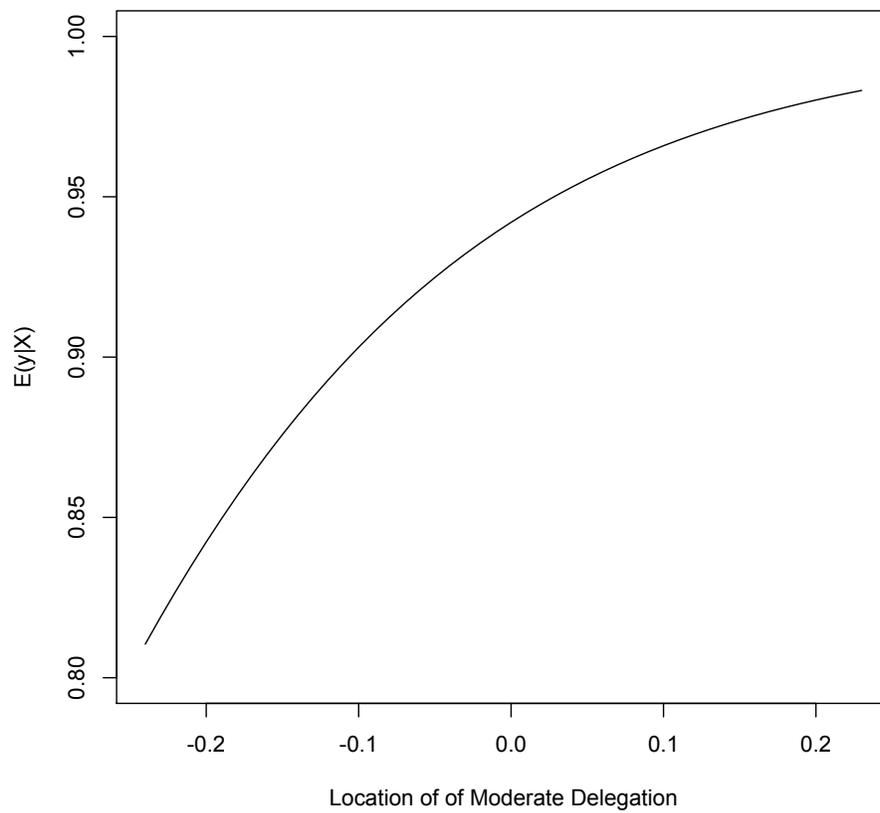
<sup>5</sup>Assigning causality for this difference is more complicated. Several other factors may contribute to this estimated difference, and the model I have specified here cannot distinguish between these potentially relevant factors. To name one, control of the Senate changed hands in the 107th Congress, but the identity of the median member of the Senate, Jim Jeffords (VT), remained unchanged even though partisan control of the Senate changed.

More specifically, the model tests for whether normalized conference outcomes will be more conservative when conference committees are more conservative. At the same time, the model tests the conditional relationship between the two delegations serving on the conference committee. I predicted that conference outcomes will represent compromises between the two chambers' delegations to a conference committee, and more specifically,  $H_4$  and  $H_5$  indicate that the preferences median members of the chambers' delegations will determine conference outcomes.

All coefficients associated with House and Senate delegation preferences are statistically significant, and when considered together, their effects are all positive. The estimates indicate that conservative conference delegations are associated with conservative conference outcomes. In order to gauge the interdependency of the two delegations, I estimate their interactive effect on the likelihood of a conservative shift. In my analysis, delegation preferences may range from  $-1$  to  $1$ , so the value for the the interacted preferences of conference delegations will be highest when both delegations are close together and conservative (e.g. both delegations are  $1$ ). My theory predicts that the likelihood of a positive shift to be highest when both delegations are very conservative. Conversely, this value would be lowest when both delegations are close together and negative (e.g. both delegations are  $-1$ ), or extremely far apart (e.g. one delegation is  $-1$  and the other is  $1$ ). My theory suggests that a positive shift should be least likely when delegations are both very negative or far apart. Thus, my theory suggests that the coefficient associated with interactive influence of House and Senate delegations should be positive. The estimated interactive effect of the delegations locations support this claim, *ceteris paribus*.

Because the model is interactive, the estimated effects of the delegations must be thought of as tempering the larger interactive effect. Figure 2.4 translates the changes in expected probability of a conservative shift in bill location associated with the preferences of the more liberal delegation in model (I) holding the preferences

Figure 2.4: Example of the effect of the preferences of more moderate delegation sent to conference on the likelihood that a bill proposed by a conference is more extreme than the bill initially passed by a chamber.



Conservative delegation set at 0.9.

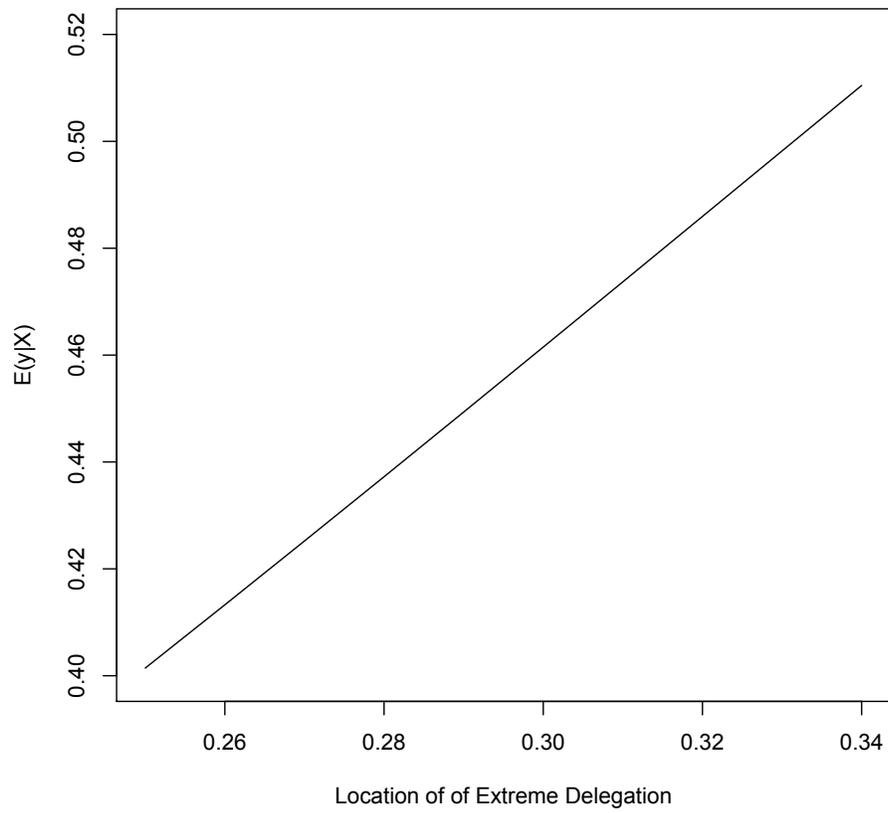
of the more conservative delegation constant. In this example, I have set the ideal policy of the more conservative delegation to 0.9 and considered how the likelihood of a conservative shift in cut points changes as the more liberal delegation becomes increasingly conservative. From the figure, it is clear that the likelihood of a conservative shift in bill location as a result of conference committee negotiations increases as the more liberal delegation moves to the right. More specifically, my estimates indicate that when the conference's two delegations are centered at  $-0.2$  and  $0.9$  respectively, 84.2% of bills produced by a conference committee will be more extreme than the bill initially passed by a chamber. When the delegations are centered at 0 and 0.9, 94.2% will be more extreme. I estimate that 98% of bills will be more extreme when the conference is located at 0.2 and 0.9. I take these to be substantively significant changes in response to changes in the location of the more liberal delegation to the conference committee.

Figure 2.5 translates changes in the expected probability of a conservative shift in bill location associated with the more conservative conference delegation from model (I) holding the preferences of the more liberal delegation constant. In this example, I set the more moderate delegation at 0. From figure 2.5, it is clear that the expectation of a conservative shift increases when the conservative delegation is more extreme. Model (I) indicates that 41.33%, 46.15%, 51% of the bills produced by these conference committees in which the more conservative delegation prefers policy at 0.26, 0.3, and 0.34 respectively. Again, these represent substantively meaningful changes in the likelihood of a conservative shift in bill location and provide considerable support for my claims about the influence of conference delegations on conference outcomes.

#### *Majoritarian or Distributive*

Even when considered together, the data support my distributive claims and provide little evidence of median influence. Model (III) in table 2.5 summarizes a specification of the logit model that includes variables associated with both the ma-

Figure 2.5: Example of the effect of the preferences of more extreme delegation sent to conference on the likelihood that a bill proposed by a conference is more extreme than the bill initially passed by a chamber.



Liberal delegation set at 0.

majoritarian explanations of conference outcomes and my alternative explanation. The findings here are very similar to those I have already reviewed with one exception. The estimated likelihood of a conservative shift in bill location during 107th Congress is not statistically different from the likelihood of a conservative shift in the 110th Congress. On the other hand, the magnitude and sign of the coefficients associated with my theory of conference outcomes persist in model III. The estimates indicate that conservative delegations to conference committees are more likely to produce conservative outcomes.

I take the findings summarized in table 2.5 to provide strong evidence in support of my distributive claims about conference outcomes. Delegations to the conference committee clearly exert a significant amount of influence on the outcomes of conference negotiations. At the same time, my findings provide scant evidence in support of majoritarian claims. While these tests do not permit me to reject the observable influence of median members of the House and Senate, they fall far short of permitting me to reject the possibility that they have no observable influence on conference outcomes.

## **Conclusion**

It is not too strong a statement to say that bicameralism is perhaps Congress' most important institutional feature. Conference committees have been called "the essence of bicameralism" (Longley and Oleszek 1989). It has long been noted that a significant subset of all bills, and a larger proportion of important bills pass through this procedure. In this chapter, I provide an explanation for the types of bills Congressional conference committees produce.

Conference outcomes need an explanation because the bills conference committees produce routinely fail to represent a "compromise" version of the House and Senate versions of the bill. I took pains to show that more often than not, conference out-

comes are more liberal or more conservative than both the House and Senate bill. The regular absence of compromise is particularly puzzling in light of received wisdom and Congressional rules which both imply that conference committees's bill will be an intermediate version of the bill initially passed by the House and Senate.

I offer an explanation for these patterns that relies upon distributive assumptions. I argue that it is in the House and Senate's interest to defer to legislators relatively extreme preferences on conference committees. They prefer conference committees with relatively extreme preferences because a proposal from such a committee will draw political benefits to moderate and median members. This logic implies that conference outcomes should be guided by the frequently outlying preferences of legislators serving on the conference committee. My explanation and predictions contrast with a majoritarian approach which contends that legislators have to preferences for political benefits and are only interested in policy. Following this logic, median members of the House and Senate should dominate the conference process.

I find significant evidence in support of my explanation and very little in support of majoritarian explanations. Consistent with my theory, legislators on the conference committee exert a significant amount of influence on conference outcomes, and this was true even when controlling for the preferences of median members of the House and Senate. By contrast, I find consistent evidence of that influence of chamber medians is subordinate to other factors.

This finding is significant for our positive understanding of legislative behavior and a little troubling in its normative implications. If all legislative actions are subject to the approval of a majority of legislators and by extension the median member of a legislative chamber, then then the bills initially passed by the House and Senate represent the aggregation of the majority's preferences in those chambers. My finding that conference committee proposals routinely deviate from the bills first passed by the House and Senate is particularly damning for this majoritarian conceptualiza-

tion of legislative organization. It indicates either that the House and Senate passed bills that ran contrary to the majority's preferred outcome, or that the conference committee, itself a creation of the majority, is deviating from the majority will. My findings also cast doubt on the ability of the majority to reclaim the legislative initiative during post-floor negotiations in conference. All in all, the findings I present in this chapter indicate that any postulate of majority dominance is false, at least in its application to conference committees.

I have devoted time to explaining the factors that determine conference outcomes. Beyond factual clarification, I provide an explanation for when conferences will deviate from bills initially passed by the House and Senate. Far from random, these deviations are determined by the preferences of legislators serving on the conference committee. I have suggested that it is due to legislators preferences for distributive political benefits. My theory is consistent with the empirical evidence I have outlined in this chapter, but it has implications that go beyond explaining the bill produced by conference. In chapter 3, I explore the logic of this finding in greater detail and address the question of why an ostensibly majoritarian institution would defer to a conference committee structure empowering preference outliers. In chapter 4, I use this same logic to explain why Congressional chambers will opt to use a conference in some instances and not in others as well as why the overall use of conference committees has declined over time.

## CHAPTER III

# Balancing Act: The Strategic Selection of House-Senate Conferees

### Introduction

In this chapter, I present conditions under which moderate members of a chamber will prefer policy set by conference committees consisting of more extreme legislators. Received wisdom suggests that House-Senate conferences frequently consist of legislators that do not share the policy preferences of median members, and that conferences exercise considerable influence over the policy making process. Given the majoritarian nature of both the House and Senate, it is puzzling that more moderate members would permit conference committees so much latitude. The purpose of this chapter is to reconcile the empirical regularity of conference committee composition and influence with the underlying majoritarian nature of the House and Senate.

In what follows, I present a counter-intuitive game theoretic result that hinges on two anodyne assumptions. First, I assume that in addition to preferences over policy, legislators are motivated by non-policy benefits associated with the policy process. In particular, I assume that non-cooperative interests vie for legislators' support by servicing legislators' non-policy preferences. I examine the interaction and influence of these two sources of utility in a stylized setting in which preference over policy underlies, but does not completely determine, legislators' decisions. Non-policy goals are met through side-payments to legislators that support or oppose a particular

interest. In concrete political terms, those side payments may take a number of forms; for example, in addition to straight forward policy goals, legislators seek after campaign support, assurances of advancement within their chamber, or priority for other legislative initiatives. To adopt a colloquial label for these non-policy goals, the interests at work within this model of legislative behavior bring “political capital” to bear on legislators in order to achieve their aim of either maintaining or altering the status quo.

Second, I assume that a pivotal legislator decides who sets the agenda. Delegation of agenda control allows a legislator to manipulate the distribution of both policy and non-policy benefits associated with the legislative process. A pivotal legislator may choose an agenda setter with outlying preferences because, by so doing, he may attract higher levels of side payments. This is optimal if the side payments more than make up for the utility loss incurred from ending up with a more extreme bill. In this chapter, conference committees act as the agenda setters to whom pivotal legislators delegate power to propose policy.

The chapter proceeds as follows. I discuss the theoretical basis for the model by briefly reviewing previous scholarship on conferee selection. I review a set of models first proposed by Groseclose and Snyder (1996) and later expanded upon by Diermeier and Myerson (1999). In my version of their approaches, I temporarily leave out the possibility that legislators are motivated by policy goals; even this preliminary model provides insight into the workings of bicameralism and conference committees. I then present my full model of delegation to a conference committee in the context of competing interests. In this model, legislators possess policy goals, and strategic interests provide incentives to legislators and either undermine or reinforce initial support for the bill.

## Theoretical Basis

In this section I provide a basis for a model of conferee selection by a policy-interested pivotal legislator. I begin by briefly describing existing research on conferee selection which has focused primarily on the interaction between chamber leaders and jurisdictional committees. These studies share an implicit assumption that a chamber's floor delegates responsibility for the conference process to actors that may not share more moderate legislators' preferences. This empirical regularity is puzzling in light of the majoritarian nature of both House and Senate institutions. Next, I discuss the precedent for including legislators' non-policy goals in a theory of legislative behavior. Finally, I review a model of Congressional organization that incorporates interests competing for legislators' support. I argue that this approach provides a foundation upon which I may reconcile chambers' majoritarian requirements with the empirical reality of deference.

Previous studies of conferee selection have focused on parties and chamber leaders as the actors primarily responsible for selecting conference committees. Strictly speaking, authority to name conferees resides with the Speaker of the House and the Majority Leader in the Senate. Even so, these leaders exercise their prerogative sparingly (Ferejohn 1974; Shepsle and Weingast 1987; Oleszek 2007). Rather, received wisdom and several prominent studies of Congressional behavior and conference committees have shown that a strong norm of deference to jurisdictional committees exists in conferee selection (Sinclair 1983; Smith 1988; Longley and Oleszek 1989).

These studies reveal and rely upon rich institutional detail of legislative practice, and they provide strong evidence in support of their claims; however, they universally assume the independence of partisan or committee actors. It is unclear why such deference would arise endogenously. Krehbiel (1991) provides a counterbalance to theories of conferee selection that rely on exogenous norms of deference and puts a finer point on the critique of work that appeals to norms of deference. He agrees

that conference committees “should be characterized by selective and carefully monitored delegation of parliamentary rights to relatively expert members of standing committee” (199), but he insists that those to whom authority to set the agenda like all “objects of legislative choice in both the procedural and policy domains must be chosen by a majority of the legislature” (16). Elsewhere, he asserts that conference delegations are, on average, similar in ideological composition to the floors of the legislative chambers they represent (1990; 1993). However, his empirical claim has been called into question (Hall and Groffman 1990).

Krehbiel’s stipulation, that a theory of conference influence must incorporate the imperative that a majority of the chamber approve of any delegation to outlying agenda setters, establishes a high bar for studies focused on legislators’ policy goals. By contrast, many studies of conference committees rely on the stylized fact that actors other than the median member of a chamber dominate the conference process. Effectively ignoring Krehbiel’s majoritarian postulate, these studies provide little theoretical reasoning for why majoritarian institutions would routinely defer to outlying legislators on conference committees. To reconcile the majoritarian nature of House and Senate institutions with robust empirical claims of committee and party influence over the conference process, I adopt a view of congressional organization that focuses on more than legislators’ preferences for policy.

There is a well established precedent for assuming that legislators consider non-policy goals as they make decisions. Aside from policy, it has long been observed that legislators may leverage the legislative process to gain influence within their chamber (Fenno 1973); or to gain assurances that colleagues will support particular legislative initiatives (Shepsle and Weingast 1987; Weingast and Marshall 1989); or to advance their reelection goals (Fenno 1973; Ferejohn 1974; Mayhew 1974; Murphy 1974; Shepsle and Weingast 1981; Fiorina 1989). For Members of Congress, reelection is the “proximate goal for everyone, the goal that must be achieved over and over

if other ends are to be entertained” (Mayhew 1974, 16). Legislators include what Mayhew calls “particularized benefits” in bills that permit legislators to claim credit for elements of legislation which advance electoral goals (1974, 54). In addition, these benefits, which are often unrelated to the policy primarily addressed by a bill, make a piece of legislation more appealing for legislators who would otherwise prefer a different policy (Evans 2004).

In order to evaluate how non-policy goals may influence decisions about who sets the agenda, I build on a framework first proposed by Groseclose and Snyder (1996) and later expanded upon by Diermeier and Myerson (1999). These theories of congressional organization posit that strategic actors extend non-policy benefits to legislators in exchange for the legislators’ votes. They focus on chambers’ institutional choices; specifically, how the presence of different interests competing for votes will systematically change vote outcomes and lead chambers to erect barriers to bills’ passage. My contribution is to consider how a pivotal legislator, perhaps the median member of a chamber, would respond to such an environment. In particular, what this legislator would consider to be the optimal policy proposal under such conditions.

## **A Model Without Policy Preferences**

I now review a basic model of the effect of bicameralism on the organization of legislative chambers first proposed by Snyder and Groseclose (1996) and expanded upon by Diermeier and Myerson (1999). These theories view “legislative chambers as competitive organizations in a market for legislation” (1999). From this point of view, chambers, and necessarily legislators within that chamber, are making utility maximizing decisions about the process by which bills pass through the chamber and become law. I begin by discussing how this happens in a single chamber and introduce the concept of a hurdle factor. The hurdle factor could be thought of as the cost of passing legislation through a single chamber. Next, I show how a second legislative

stage alters the calculus of passage. In particular, I show that increasing the number of legislative chambers raises the optimal hurdle factor and that in equilibrium, chambers set their hurdle factors to be equal to one another. This result was first articulated by Diermeier and Myerson (1999).

### *Hurdle Factors in a Single Chamber*

First, I consider behavior in a unicameral legislature. In this setting, legislators can serve one of two interests. These interests are represented by two alternatives the status quo  $q$  and some alternative to the status quo,  $b$ . Let  $L_q$  and  $L_b$  be strategic advocates for  $q$  and  $b$  respectively.  $L_q$  may provide up to  $V$  units of utility to any legislator or set of legislators in return for supporting  $q$ . Similarly,  $L_b$  may offer up to  $W$  units of utility to those that support  $b$  rather than  $q$ .

Consider a legislature that consists of  $N$  legislators in which  $\alpha \in \{1, 2, \dots, N\}$  legislators must agree to change  $q$  to  $b$ . I call  $\alpha$  the decision rule. Thus, in order to secure  $b$ 's passage,  $L_b$  must gain the support of at least  $\alpha$  legislators. Let  $k \geq 0$  be the number of legislators beyond the minimum  $\alpha$  necessary for passage to whom  $L_b$  extends payment in exchange for supporting  $b$ . For now, I assume that legislators support  $b$  if  $L_b$  pays them at least as much as  $L_q$ .

As in Groseclose and Snyder (1996), suppose advocates offer legislators payments sequentially with  $L_b$  moving first and  $L_q$  second. If this is the case, the following will be the optimal amount that  $L_b$  pays in equilibrium.

$$\frac{k + \alpha}{k + 1} V \tag{3.1}$$

To see why this is the case, consider what  $L_q$  must do in order to block  $b$ 's passage. She must secure the votes of  $k + 1$  legislators from the coalition that has received payments from  $L_b$ . She can do this by distributing  $V$  units of utility among  $k + 1$

members of the coalition supporting  $b$ . Faced with such an adversary,  $L_b$  can ensure  $b$ 's passage by making a side payment of  $V/k + 1$  to coalition of  $k + \alpha$  legislators. This ensures that there is no distribution of  $V$  that that  $L_q$  can make that will gain the support of enough legislators to block  $b$ .

Observe that (3.1) is linear in  $\alpha$ . In other words, as  $\alpha$  increases, it is more costly from the perspective  $L_b$  to secure the passage of  $b$ . I rewrite (3.1) as  $sV$  and call  $s$  the legislature's (or in the bicameral setting, the chamber's) hurdle factor. It follows that  $b$  replaces  $q$  if

$$sV \leq W.$$

Where  $W$  is the  $L_b$ 's budget constraint. It is simple to show that when  $\alpha$  corresponds to a simple majority of of a large legislature,  $s \rightarrow 2$ . Intuitively, this suggests that changing the status quo is costly – even under simple majoritarianism, changing  $q$  to  $b$  is roughly twice as costly as maintaining  $q$  in a large legislature. Further, it is immediately apparent from (3.1) that the cost of passing  $b$  for  $L_b$  is inversely proportional to the cost of blocking legislation for  $L_q$ . Put differently, for higher levels of  $\alpha$  (the higher the threshold required for passage of  $b$ ), the easier it is for  $L_q$  to block any change to  $q$ , and the harder it becomes for  $L_b$  to ensure  $b$ 's passage.

### *Hurdle Factors in a Bicameral Legislature*

In this section, I consider how a rational actor within a legislative chamber would manipulate hurdle factors in a bicameral setting. For convenience and clarity I refer to pivotal legislators using male pronouns and continue to refer to advocates using female pronouns. As before, suppose that there are two interests,  $q$  and  $b$ . Advocates promote these interests using resources,  $V$  for  $L_q$  and  $W$  for  $L_b$  just as they do in a unicameral chamber. In this context, we may consider  $V$  and  $W$  to be a budget

constraint imposed upon the side payments that  $L_b$  or  $L_q$  may make. I add the additional assumption that values of  $V$  and  $W$  are drawn from a uniform distribution over the interval  $[0, 1]$ . The pivotal legislator moves first to set  $\alpha$  and is aware of all of the strategies available to  $L_b$  and  $L_q$  as well as the distribution of  $V$  and  $W$ , but he does not know the precise realization of either advocate's budget constraint.

In a bicameral legislature, a chamber's pivotal legislator selects the hurdle factor for his chamber. He may do this by manipulating the value of  $\alpha$  with a higher (lower) levels corresponding to higher (lower) hurdle factor for his chamber. I continue to refer to the hurdle factor in a given pivotal legislator's chamber as  $s$ . In the other chamber, another pivotal legislator facing symmetrical incentives erects a hurdle factor which I will call  $t$ .

In the analysis that follows,  $z$  denotes the payoff to a legislative chamber. This is the value that the pivotal legislator considers as he determines the optimal hurdle factor for his chamber. I write the pivotal legislator's utility function as follows.

$$z(s, t, V, W) = \begin{cases} sV & \text{if } (s + t)V \leq W, \\ 0 & \text{if } (s + t)V > W \end{cases}$$

In words, if  $W$  is sufficiently large, then the pivotal legislator will secure a payoff of  $sV$  for his chamber. Likewise, if the pivotal legislator raises the value of  $s$ , his chamber will get a higher payoff *ceteris paribus*, so long as  $(s + t)V \leq W$ . When this inequality no longer holds, his chamber receives no positive payoff.

#### *Optimal Hurdle Factors in a Bicameral Legislature*

As stated above, suppose the possible values for  $V$  and  $W$  are distributed uniformly over the interval  $[0, 1]$ . Thus, I can write expected utility that a pivotal legislator may secure for his chamber as

$$E(z(s, V, W)) = sV(1 - V(s + t)). \tag{3.2}$$

A chamber's pivotal legislator seeks to optimize (3.2) with respect to  $s$ . Doing so yields the following optimal value for his chamber's hurdle factor.

$$s^* = \frac{V - tV^2}{2V^2} \quad (3.3)$$

As both chambers' pivotal legislators make the same calculation,  $t^* = s^*$ . That is, both rational pivotal legislator in both chambers will set hurdle factors at the same level.

The graph of equation 3.3 is a downward sloping curve. This suggests that, all else constant, as the value of  $V$  increases, a rational pivotal legislator will prefer a lower hurdle factor because he recognizes that as  $V$  increases, fewer and fewer draws of  $W$  will be large enough to satisfy  $W \geq (s + t)V$ , the requirement for a positive payout. A lower value for  $s$  lowers the threshold that  $W$  must clear in order to secure a positive payout to the pivotal legislator's chamber.

## A Model With Policy Preferences

Thus far, I have discussed formal theoretic results that describe conditions under which we might expect super-majorities to emerge in legislatures. Groseclose and Snyder (1996) assert that this is the result of advocates competing for legislative votes within a single chamber. Diermeier and Myerson (1999) expand upon this result by showing that bicameralism induces rational legislators to require even larger supermajorities than they would in a unicameral system. I now expand upon these models to include legislators with heterogeneous (spatial) preferences. My focus is not on super-majoritarian outcomes, although the Groseclose and Snyder framework is an important component of my result. I use the building blocks proposed by these earlier theories in order to consider how competing interests might influence decisions about who sets the agenda within a legislative chamber. This has important implications

for which legislators are selected to serve on a conference committee.

I model selection of conferees as a dynamic game of complete information. In my model, I represent policy as a point in a real valued space, and examine the behavior of four types of players: legislators, agenda setters, pivotal legislators, and interests. These players can usefully be considered to belong to one of two categories: sincere or or strategic. I assume that legislators and agenda setters are sincere, nonstrategic actors. In the model, legislators make a decision based purely on their evaluation of the costs and benefits of the policy alternative they face. Their evaluation includes the side payments offered by advocates for the status quo or some alternative, and they act sincerely in that they cast their vote for the alternative that will bring them the most benefit. Agenda setters are also sincere, but they are not influenced by the side payments extended by interests. Instead, I assume that an agenda setter will propose his ideal point. The agenda setter corresponds to conferees selected to represent their chamber on the conference committee.

In contrast, interests and pivotal legislators are strategic and non-cooperative. Interests advocate for the either the status quo or some alternative to the status quo. They do so by extending side payments to legislators in order to influence their votes. These side payments are identical to those paid out by advocates in the policy free model with one caveat, advocates in this version of the model consider legislators' underlying policy preferences as they attempt to influence the outcome of the legislative process. Crucially, interests' efforts to affect legislators' behavior are limited by a budget constraint that is determined on a bill by bill basis.

Pivotal legislators are responsible for selecting an agenda setter, and they do so strategically. Like rank and file legislators, they consider the costs and benefits of supporting the status quo or its alternative along with the side payments they receive from advocates for or against the status quo. Unlike the rank and file members, they can determine the bill they will evaluate through their selection of a proxy agenda

setter. The central result of this chapter will be to show that pivotal legislators, even those with moderate preferences, may choose to delegate policy proposal power to a legislator that does not share the pivotal legislator's preferences for policy.

In this section, I begin by formally defining the legislative game along with the players, payoffs and strategies that I will analyze. Next, I analyze the game which begins with the selection of conferees and ends with a vote on the legislation proposed by the conference committee. Most importantly, I describe conditions under which the presence of advocates extending side payments to influence legislators' votes will lead moderate legislators to prefer to have a more extreme legislator act as an agenda setter. They defer to an outlying agenda setter because delegation induces greater side payments from advocates, and these side payments more than offset the expected utility loss from ending up with a policy they prefer less.

### **Definition of the Model**

In this section, I formally specify the game. I begin by defining the policy space, players' utility functions, and players' strategies. Next, I briefly describe how the game proceeds beginning with the pivotal legislator's selection of a conference committee (agenda setter) and proceeding to legislators' vote on the final passage of the bill.

I represent policy as a point in the real valued interval  $[0, 1]$ . The location of the status quo,  $q \in [0, 1]$ , is common knowledge among all players. Legislators are indexed by a uniform distribution over the policy space, and their location  $x \in [0, 1]$  represents their most preferred policy. I assume that legislators evaluate  $b$  and  $q$  according to standard quadratic loss function,  $u(x, c) = -(x - c)^2$ ,  $c \in \{b, q\}$ . Without loss of generality, I evaluate the game under the assumption that  $b < q$ . This setup allows me to easily identify what the chamber's collective decision will be by using the following reservation function.

$$f(x, b, q) = u(x, b) - u(x, q) = -(x - b)^2 + (x - q)^2 \quad (3.4)$$

This function consolidates a legislator's evaluation of  $q$  and  $b$  into one statement. For example, legislator  $x$  prefers  $b$  if  $f(x, b, q) \geq 0$ , and he prefers  $q$  if  $f(x, b, q) < 0$ .

Consider a legislative chamber with a decision rule  $\alpha$ , such that if every legislator with an ideal point  $x \leq \alpha$  supports the bill, it passes; otherwise, the bill fails. Such a decision rule and (3.4) imply that, absent any side payments, a bill will pass if  $f(\alpha) \geq 0$ . By contrast, if  $f(\alpha) < 0$ , a bill fails. Alternatively, I may say that (3.4) implies that if  $f^{-1}(0) = (b + q)/2 < \alpha$ , a bill fails; whereas if the contrary were true,  $(b + q)/2 \geq \alpha$ , the bill would pass.

As in the policy free model, interests,  $L_q$  and  $L_b$ , advocate for  $q$  and  $b$  respectively. Strictly speaking, these interests do not have preferences over policy beyond wishing to maintain or change the status quo. These advocates exercise influence over legislative outcomes by extending side payments to legislators. As in the policy-free game, those side payments are limited by a budget constraint,  $V$  for  $L_q$  and  $W$  for  $L_b$  that is determined by a draw from a uniform distribution over the interval  $[0, 1]$ . The advocate  $L_q$  attempts to block the passage of  $b$  by extending side-payments to enough legislators that less than  $\alpha$  support the passage of the bill.  $L_b$  extends side payments in order to counteract the  $L_q$ 's efforts. Unlike the policy free game,  $L_q$  and  $L_b$  condition their payments on the legislators' underlying preferences for policy.  $L_q$  distributes side payments according to the function  $g(\cdot)$  in order to block the passage of  $b$ . I write the side payments that  $L_b$  must make in order to counteract attempts made to dismantle her coalition as  $h(\cdot)$ .

The agenda setter is a legislator with an ideal point  $t \in [0, 1]$ . He makes an unamendable policy proposal that the rest of the chamber then considers. I assume that the agenda setter must propose his or her ideal point as  $b$ . I justify this assumption

because sponsorship or proposal of a bill is different from a vote for or against a bill. A legislator may be able to explain his or her vote to constituents as a choice between two less than ideal alternatives. On the other hand, a legislator that proposes a bill is indelibly connected with the proposal.

A pivotal legislator selects the identity of the agenda setter. Like the other legislators, the pivotal legislator has an ideal point  $x \in [0, 1]$ , and considers the side payments he receives from  $L_b$  or  $L_q$  when he makes decisions about  $t$ . I write his utility function as follows. The pivotal legislator receives the following conditional on the relationship between  $V$  and  $W$ .

$$z(x_i, b, q) = \begin{cases} h(x) + u(x_i, b) & \text{if } \int_0^1 h(x) dx \leq W, \\ u(x_i, q) & \text{if } \int_0^1 h(x) dx > W. \end{cases}$$

In words, if  $W$ ,  $L_b$ 's budget constraint, is big enough, the bill will pass. The pivotal actor will receive the utility from  $b$  and from the side payment that  $L_b$  extended in order to secure passage. I should point out that when  $W$  is not large enough to block  $L_q$ 's efforts, I assume that the pivotal legislator only derives utility from the status quo. This is equivalent to assuming that there exists player in the legislative process whose reservation price is lower than the pivotal legislator, and who must agree to a bill in order for it to pass.

The game progresses in four stages. First, the pivotal legislator chooses an agenda setter,  $t \in [0, 1]$ . Second, the agenda setter will propose his ideal point  $t = b$ . Third,  $L_b$  and  $L_q$  select functions  $h(\cdot)$  and  $g(\cdot)$  that represent the side payments they will make in order to influence legislators' preferences over  $q$  and the proposed  $b$ . Finally, legislators cast their votes.

## Results

I now analyze the the advocates' and pivotal legislator's behavior under these assumptions. As rank and file legislators and the agenda setter are not strategic in the game, the interesting interaction occurs between the pivotal legislator and the advocates for or against  $q$ . I begin by offering simplified example of how this interaction will play out in a small legislature. This provides intuitions as to how the model works. Next, I analyze the model in the context of a large legislature. I describe conditions under which the presence of advocates extending side payments to influence legislators' votes will lead moderate legislators to prefer to have a more extreme legislator act as an agenda setter.

## An Example

I now present a computational example in which advocates vie for the support of legislators in a (very) small legislature. Suppose a chamber consists of five players with evenly distributed ideal points  $x_i \in [0, 1]$ , where  $i < j$  implies that  $x_i < x_j$ . I index legislators  $i \in \{1, \dots, 5\}$ , so  $x_3$  is the median member of the chamber. In this example, I assume that  $\alpha = 3$ , so the chamber is majoritarian.

For the purpose of this example, suppose that the advocate for the bill has a budget of  $W = 0.4$  and that the advocate for the status quo has a budget of  $V = 0.35$ . I begin by considering the advocates' strategies and their effects on how legislators will cast their vote in the last period when; first, legislators consider a bill that perfectly realizes the median legislators ideal policy,  $b = 0.5 = x_3$ ; and second, when legislators consider a bill that differs significantly from the median legislator's ideal policy,  $b' = 0.25 = x_2$ . In both cases, I assume that the status quo takes the particular value,  $q = 0.8$ . The costs of different strategies are illustrated in figures 3.1, 3.2, 3.3, and 3.4. Once I understand what  $L_b$  will do to ensure  $b$ 's passage, I consider how the pivotal legislator, in this case the median voter  $x_3$ , anticipates  $L_b$ 's action in his

choice of an agenda setter.

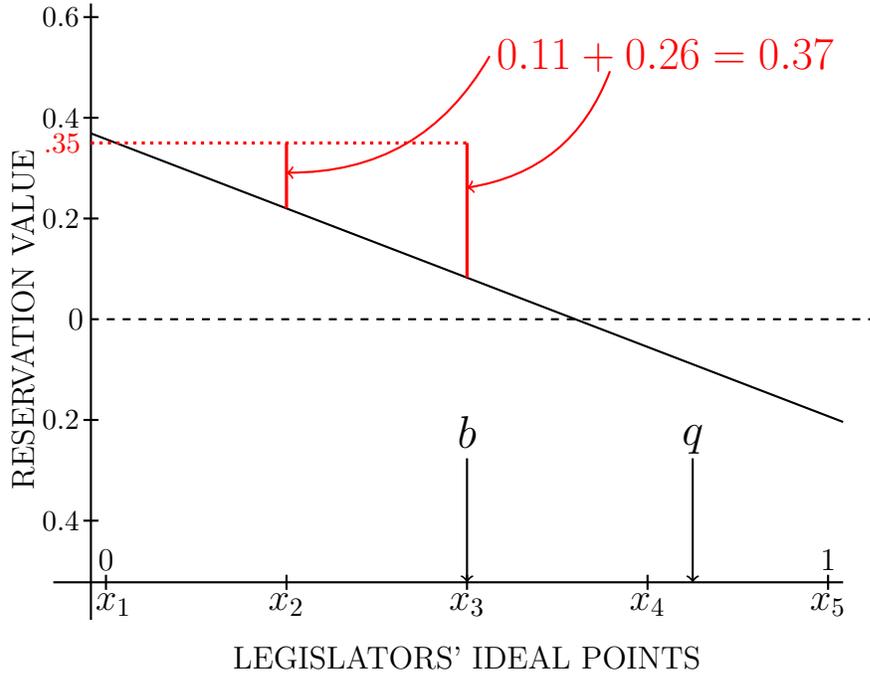
*Optimal Side Payments.*

In order to counteract efforts by the advocate for  $q$ ,  $L_b$  may choose which legislators to whom she will extend (or not extend) a side payment. As in the non-spatial case, she wishes to extend enough side payments, but no more than she must, to ensure  $b$ 's passage. In other words, she may extend side payments to all, some, or none of the legislators in the chamber subject to the constraints placed on the resources of her opponent.

Given these budget constraints and a reservation function that takes the form of (3.4), it is easily shown that  $L_b$  distributes side payments in one of two ways to secure a bill's passage. She may opt to limit side payments to a minimum winning coalition. In this case, she would concentrate side payments in such a way that no fewer than three legislators vote for the bill. Alternatively, she may choose to construct a greater than minimum winning coalition. In this case she would spread side payments among legislators in such a way that more than three legislators would support the bill.

First, consider how advocates will respond when legislators consider a bill at the median legislator's ideal point  $b = 0.5 = x_3$ .  $L_b$  may choose to maintain a minimum winning coalition. This scenario is illustrated in figure 3.1 where legislator ideal points are evenly distributed on the  $x$  - axis, and  $f(x_i, b, q)$ , legislators' reservation values, are represented by the downward sloping line. If  $L_b$  opts for this strategy,  $L_q$  may undermine the coalition supporting  $b$  by picking off one of the coalition members. Since  $x_1$  receives more than 0.35 units of utility from  $b$ ,  $L_q$  can do nothing to change his vote. By contrast,  $L_q$  can give up to 0.35 units of utility  $x_2$  and  $x_3$  in order to change their votes. To counter this possibility,  $L_b$  will pay  $0.35 - f(x_2) = 0.11$  to  $x_2$  and  $0.35 - f(x_3) = 0.26$  to  $x_3$ . Thus, it will cost  $L_b$  at total of 0.37 units of utility to maintain a minimum winning coalition when  $b = 0.5$  and  $q = 0.8$ .

Figure 3.1: Example of optimal side payments to a minimum winning coalition when  $V = 0.35$  and  $b = x_3$ .



Alternatively,  $L_b$  may choose to build a greater than minimum winning coalition to pass  $b$ . This scenario is illustrated in figure 3.2. If  $L_b$  extends side payments to  $x_4$ , who would otherwise prefer the status quo,  $L_q$  will need to divide her resources between at least two members of the coalition supporting  $b$  in order to block the bill's passage. By giving  $0.175 - f(x_3) = 0.09$  to  $x_3$  and  $0.175 - f(x_4) = 0.24$  to  $x_4$ ,  $L_b$  makes it impossible for  $L_q$  to change enough votes to block the passage of  $b$ . This strategy costs  $L_b$  a total of 0.33 units of utility when  $b = 0.5$  and  $q = 0.8$ .

The advocate for the the bill wishes to minimize the cost of passing the bill. Faced with the costs of these two alternatives,  $L_b$  would prefer to construct greater than minimum winning coalition. Counterintuitively, it costs her less to build a larger coalition (0.33 compared to 0.37 units of utility) when  $b = 0.5$  and  $q = 0.6$ .

Now, consider how advocates respond when when legislators consider a bill at  $b' = 0.25$  and  $q = 0.8$ . This scenario is represented in figure 3.3. In this case,  $L_b$  will make

Figure 3.2: Example of optimal side payments to a super-majority when  $V = 0.35$  and  $b = x_3$ .

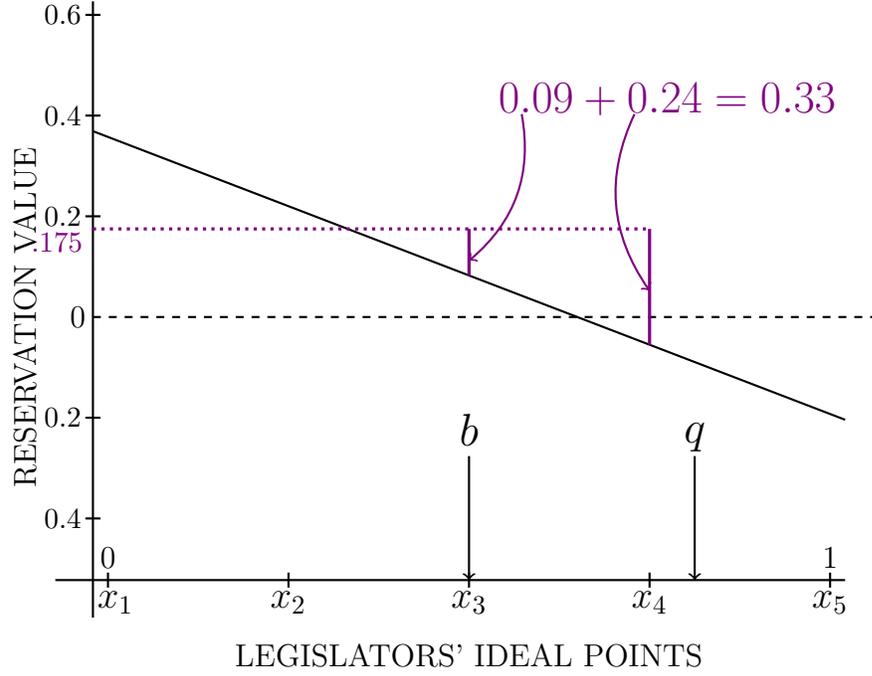


Figure 3.3: Example of optimal side payments to a minimum winning coalition when  $V = 0.35$  and  $b = x_2$ .

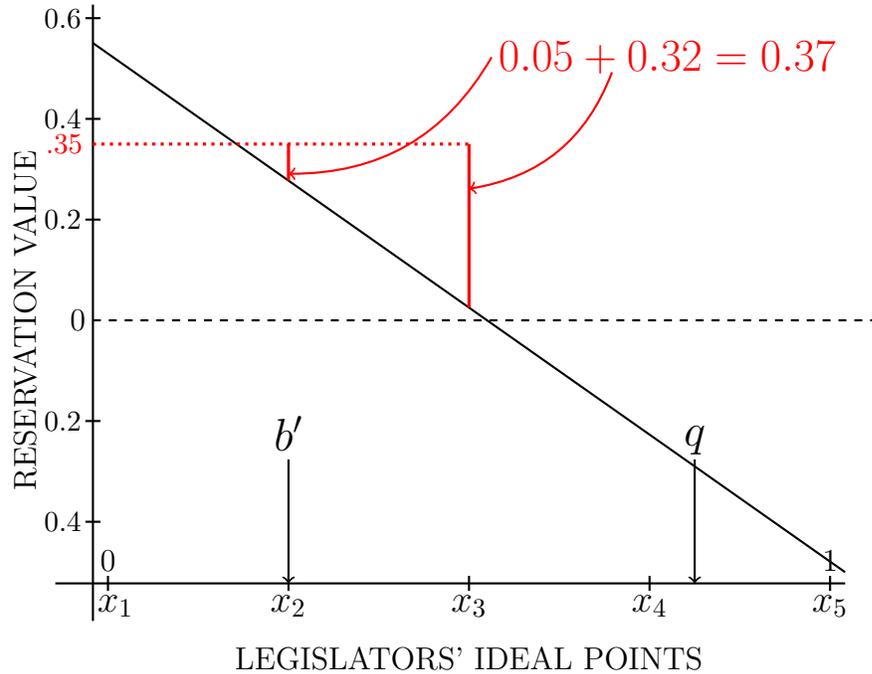
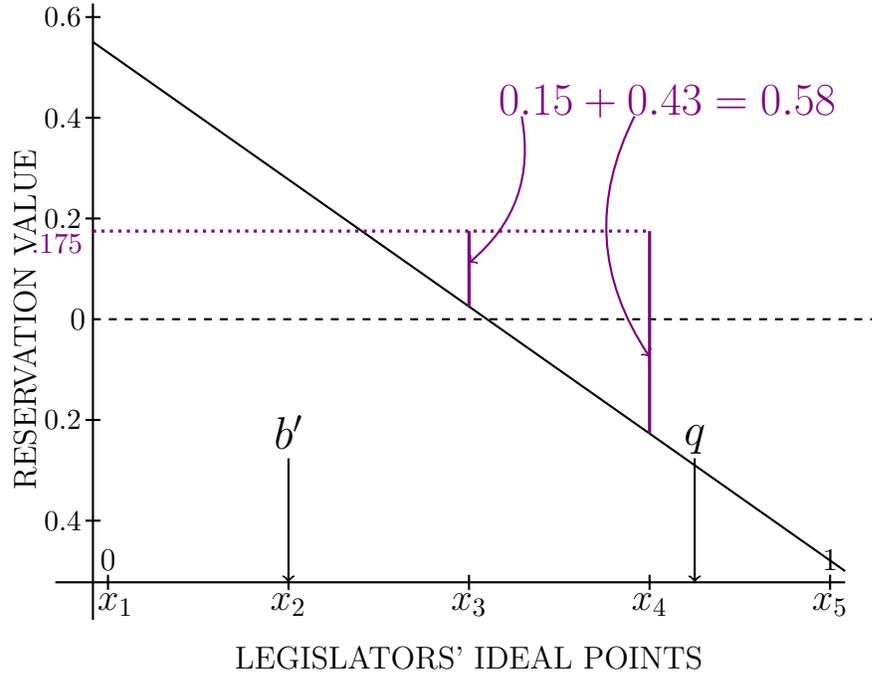


Figure 3.4: Example of optimal side payments to a super-majority when  $V = 0.35$  and  $b = x_2$ .



side payments of  $0.35 - f(x_2) = 0.05$  to  $x_2$  and  $0.35 - f(x_3) = 0.32$  to  $x_3$  in order to prevent  $L_q$  from undermining the minimum winning coalition. So it cost  $L_b$  0.37 units of utility to maintain a minimum winning coalition when  $b = 0.25$  and  $q = 0.8$ . Alternatively,  $L_b$  would pay  $0.175 - f(x_3) = 0.15$  to  $x_3$  and  $0.175 - f(x_4) = 0.43$  to  $x_4$  in order to maintain a larger than minimum winning coalition. Thus, a larger than minimum winning coalition would cost  $L_b$  0.58 units of utility to maintain. This scenario is illustrated in figure 3.4.

This suggests a very different result than the previous scenario. When legislators consider  $b' = 0.25$  and  $q = 0.8$ , the minimum winning coalition will be cheaper (0.15 compared to 0.43 units of utility) and will therefore be preferable to  $L_b$ . Thus, when legislators consider  $b'$ ,  $L_b$  maintains a minimum winning coalition, but when legislators consider  $b$ ,  $L_b$  maintains a larger than minimum winning coalition.

#### *A Pivotal Legislator's Response*

The pivotal legislator, who has an ideal point of  $x_3 = 0.5$  in this example, considers the two bills and the side payments those bills induce the advocates to make. Recall that  $x_3 = 0.5 = b$ , so absent any side payments,  $b$  maximizes the pivotal legislator's utility; however, the game played between the advocates changes this. If  $x_3$  makes himself the agenda setter, he will have to propose his ideal point, and because of competition between advocates, he can expect more than the utility he gets from from the bill. The median legislator also expects side payments totaling 0.175 if he proposes his ideal point.

In this example, the pivotal legislator has a second option. By naming the legislator with an ideal point at  $x_2 = 0.25$  the agenda setter, he will ensure that the legislature considers  $b' = 0.25$ . In policy terms, this is a worse outcome for the median legislator; however, the pivotal legislator considers more than policy outcomes. Competition for votes between advocates implies that the pivotal legislator can expect higher net benefit, 0.35 in this example, when the legislature considers  $b'$ .

Thus, when side payments are considered,  $b'$  gives the median legislator more utility than  $b$ . This suggests that in the presences of non-cooperative advocates, the median legislator may prefer a more extreme policy. The more extreme policy leaves him worse off in policy terms, but the non-policy benefits he receives from the the game played between advocates more than make up for the utility he loses by deferring to  $x_2$ . This is the central intuition of the model, that median or centrist legislators will prefer policy proposed by outliers if they expect to receive side payments that make up for the utility loss they incur from enacting relatively more extreme policy.

### **Competing Interests in Large Legislatures**

In this section, I generalize the example and explore the model's predictions in a large legislature. I represent legislators in the chamber as uniform distribution over the real valued interval  $[0, 1]$ . This assumption simplifies the analysis considerably.

I begin my analysis by characterizing  $L_b$  and  $L_q$ 's behavior in an environment with large chamber full of policy-interested legislators. After that, I show that pivotal actors strategically delegate agenda control in order to take advantage of the interaction between  $L_q$  and  $L_b$ . I finish by stating the conditions under which a pivotal legislator will prefer that policy be set by a legislator with preferences that differ from his ideal policy.

### *Optimal Side Payments in a Large Legislature*

As with the example, I begin by considering the behavior of advocates. I assume that  $f(\alpha, b, q) \geq 0$  and focus on cases in which  $L_b$  constructs a coalition of size  $k > \alpha$  legislators that support  $b$ . I am interested in instances when  $L_q$  influences the outcome of the vote, so I focus on the case when  $V$  is large.

Consider  $L_b$ 's behavior when  $W$  is large enough to ensure passage. Optimal behavior on the part of  $L_b$  consists of constructing a coalition that will minimize cost to her while simultaneously ensuring that  $L_q$  cannot block  $b$ 's passage. When the legislature is large it will be optimal for  $L_b$  to extend side payments to more than the minimum winning coalition. Let  $k > \alpha$  be the rightmost legislator to whom  $L_b$  extends side payments. Thus,  $k - \alpha$  represents the surplus members of  $L_b$ 's coalition.

When  $V$  is large, it is trivial to show that it is optimal for  $L_b$  to make side payments in such a way that all legislators receiving a side payment will derive the same benefit from supporting  $b$ . The logic for this is analogous to that which leads me to expect that side payments will total (3.1) in the policy free model. If this were not the case,  $L_q$  could concentrate on the legislators that have not received a side payment and are less satisfied with  $b$ . These will be those that did not receive a side payment. This means that  $L_q$  must extend a side payment of at least  $V/(k - \alpha)$  to any legislator in order to get them to change their support. Thus, the optimal side payment when  $V$  is large will be for  $L_b$  to pay  $h(x, b, q) = V/(k - \alpha) - f(x, b, q)$  to  $x \in [0, k]$  for whom

$h(x, b, q) > 0$ .

$L_b$  will choose  $k^*$  to minimize the total payments she must make in order to ensure passage. If every member of the coalition supporting  $b$  gets a side payment from  $L_b$ , (3.4) implies that she chooses  $k^*$  to minimize the following.

$$\begin{aligned} \int_0^k h(x) dx &= \left[ \int_0^\alpha (V - f(x)) dx \right] \\ &+ \left[ V - \frac{1}{2} (f(\alpha)) (f^{-1}(0) - \alpha) \right] \\ &+ \left[ \frac{1}{2} (-f(k)) (k - f^{-1}(0)) \right] \end{aligned} \quad (3.5)$$

Alternatively,  $L_b$  might optimally withhold payments from legislators that already strongly prefer  $b$ , specifically legislators for whom  $f(x) > V(k - \alpha)$ . If this is the case, I may write her objective function as

$$\begin{aligned} \int_{h^{-1}(0)}^k h(x) dx &= \left[ \frac{1}{2} \left( \alpha - f^{-1} \left( \frac{V}{k - \alpha} \right) \right) \left( \frac{V}{k - \alpha} - f(\alpha) \right) \right] \\ &+ \left[ V - \frac{1}{2} (f(\alpha)) (f^{-1}(0) - \alpha) \right] \\ &+ \left[ \frac{1}{2} (-f(k)) (k - f^{-1}(0)) \right]. \end{aligned} \quad (3.6)$$

I have assumed a linear functional form for  $f(x, b, q)$ . Thus, both objective functions are right triangles extending from the leftward most legislator receiving a side payment from  $L_b$  the the rightward most legislator receiving a side payment,  $k$ . Snyder and Groseclose (1996) show that there is a unique  $k^*$  for any realization of  $f(x, b, q)$ . In Proposition 1, I state this result using the particular objective functions as written in (3.5) and (3.6). In the appendix, I replicate the proof using the particular functional form I have assumed.

PROPOSITION 1: Let  $f(x, b, q)$  describe the reserve function for a legislative chamber such that  $f(\alpha, b, q) \geq 0$  and  $k < 1$ . Then  $k^*$  will be unique and satisfy one of the following.

1. Not every member of coalition supporting  $b$  will receive a side payment from  $L_b$ , and  $k^*$  satisfies  $V/(k^* - \alpha) [\alpha - f^{-1}(V/(k^* - \alpha))] = -f(k^*)(k^* - \alpha)$ .
2. Every member of coalition supporting  $b$  will receive a side payment from  $L_b$ , and  $k^*$  satisfies  $\alpha V/(k^* - \alpha) = -f(k^*)(k^* - \alpha)$ .

Proposition 1 states that that  $k^*$  describes two identically sized rectangles for both case 1 and 2. Let  $A_1$  be the area of the rectangle to the left of  $\alpha$ , and let  $A_2$  be the area of the rectangle extending to the right of  $\alpha$ . The proposition asserts that  $L_b$  selects a  $k^*$  such that  $A_1$  and  $A_2$  remains equal. This means that the rightward boundary of the coalition will shift further to the right as  $V$  increases; however,  $f^{-1}(V/(k - \alpha))$ , the leftward most legislator to receive a side payment, also shifts to the left for larger realizations of  $V$ .

The balance of legislators receiving side payments has implications for the pivotal legislator's decision about who should act as the agenda setter. Since the manner in which these rectangles expand have implications for the legislators to whom  $L_b$  will optimally extend side payments. I formally describe this relationship in Proposition 2 and prove it in the appendix.

PROPOSITION 2: Let  $f(x, b, q)$  describe the reserve function for a legislative chamber such that  $f(\alpha, b, q) \geq 0$  and  $k < 1$ . Then one of the following is true.

1. If fewer than every member of coalition supporting  $b$  receives a side payment from  $L_b$ , then one of the following will be true.
  - (a) If  $A_1 = A_2 = V$ , then  $(k - \alpha) = (\alpha - f^{-1}(V/(k - \alpha)))$
  - (b) If  $A_1 = A_2 < V$ , then  $(k - \alpha) > (\alpha - f^{-1}(V/(k - \alpha)))$
  - (c) If  $A_1 = A_2 > V$ , then  $(k - \alpha) < (\alpha - f^{-1}(V/(k - \alpha)))$
2. If every member of coalition supporting  $b$  receives a side payment from  $L_b$ , then  $(k - \alpha) < \alpha$  and  $A_1 = A_2 > V$ .

Proposition 2 has to do with the way that  $L_b$  distributes side-payments. If condition 1(a) holds, the same number of legislators to the left and right of  $\alpha$  receive side payments from  $L_b$ . If condition 1(b) holds, then more legislators to the right of  $\alpha$  receive side payments from  $L_b$ . Finally, if 1(c) holds, then more legislators to the left of  $\alpha$  receive side payments. If condition 2 holds, then there will always be more legislators to the left who receives than legislators to the right who receive side payments.

*Optimal Proposals in a Large Legislature*

I have assumed that the agenda setter is not strategic, and discounts side payments completely. This is equivalent to saying that the pivotal legislator chooses  $b^*$  when he picks  $t^*$ . Thus I focus on the pivotal legislator's selection of an optimal agenda setter and treat this decision as if the pivotal legislator were simply selecting  $b^*$ . The pivotal legislator aims to maximize the following utility function in which  $j$  is the legislator with the lowest ideal point to whom  $L_b$  extends a side payment.

$$E(z(x, b, q)) = (h(x, b, q) + u(x, b)) \left( 1 - \int_j^k h(x, b, q) dx \right) + (u(x, q)) \left( \int_j^k h(x, b, q) dx \right)$$

I continue to assume that  $W$  and  $V$  are distributed identically and uniformly. This suggests that the optimal agenda setter will have an ideal point

$$t^* = b^* = \frac{j + k}{2}, \tag{3.7}$$

where  $j \in \max\{0, f^{-1}(V/(k - \alpha))\}$ . Since  $W$  is distributed uniformly,  $b^*$  is the midpoint between the boundaries of the set legislators to whom  $L_b$  extended a side payment.

The  $b^*$  described in (3.7), when considered with Proposition 2, explains when I expect a pivotal legislator to appoint an outlying conference committee. Presume that the pivotal legislator is  $\alpha = 1/2$ , so he is the median legislator in the chamber. Suppose the coalition supporting  $b$  is described by condition 1 in Proposition 2, so not every legislator supporting  $b$  received a side payment. For 1a to be true, it must be the case that  $f^{-1}(V/(k - a)) = (k - a)$ , so the pivotal legislator names himself as the agenda setter. Alternatively, condition 1b implies that  $f^{-1}(V/(k - a)) < (k - a)$ , so the pivotal legislator will appoint a  $t^* > \alpha$ . Finally, if condition 1c holds, then  $f^{-1}(V/(k - a)) > (k - a)$ , and  $t^* < \alpha$ . In contrast, if every legislator supporting  $b$  receives a side payment from  $L_b$  it is necessarily the case that  $t^* < \alpha$ . This is so because  $\alpha < k$  by definition.

## Conclusion

I began this chapter by claiming there was a tension between the received wisdom about the composition of conference committees and the postulate that all actions taken within the House and Senate must be supported by a majority. Observers of Congress have long noted that jurisdictional committees (and under certain circumstances party leaders) exercise considerable influence over which legislators serve as conferees (Shepsle and Weingast 1987; Sinclair 1993; Lazarus and Monroe 2007). Even so, theorists must still contend with the fact that decisions in both the House and Senate must have the support of the median member of the chamber (Krehbiel 1991).

I have argued that by considering legislators' non-policy goals, I may reconcile this tension. In this chapter I have proposed a model of conferee selection in which advocates for and against the status quo compete for legislators votes. This model suggests conditions under which a centrist legislator would delegate proposal power outlying members of their chamber. He does this if it attracts side payments that

offsets the utility he loses because the conference committee proposes an extreme bill.

Admittedly, this chapter begs the question of why bills end up in conference to begin with. A detailed discussion of this process is beyond the scope of the argument I have made here, but a model of legislators with goals that go beyond policy may provide insight into the decisions to go to conference. For example, it would be constructive to consider the conference as additional rounds of voting on the same bill. If this were the case, sending a bill to conference is analogous to sending the bill to a “third chamber” in which advocates will continue to compete for conferees support. Thinking of the process this way also explains why more than one legislator will go to conference, increasing the size of the conference will expand the total side payments that advocate must make in order to pass a bill. I plan to explore this possibility in future work.

## Appendix

### Proof of Proposition 1

*Condition 1.* Presume that  $V/(k - \alpha) \leq f(0)$ , so fewer than every member of the coalition supporting  $b$  receives a side payment from  $L_b$ . Differentiating (3.6) with respect to  $k$  produces

$$-\frac{V}{(k - \alpha)^2} \left( \alpha - \frac{(b^2 - q^2 + V/(k - \alpha))}{(2b - 2q)} \right) - (-(k - b)^2 + (k - q)^2), \quad (3.8)$$

evaluating this statement at 0 produces case 1 in the proposition. Differentiating this statement again with respect to  $k$  yields

$$\left[ -\frac{V^2}{(k - \alpha)^4(2b - 2q)} \right] + \left[ \frac{2V}{(k - \alpha)^3} \left( \alpha - \frac{(b^2 - q^2 + V/(k - \alpha))}{(2b - 2q)} \right) \right] + [2q - 2b].$$

Every bracketed component of this statement is positive. Hence,  $k^*$  that satisfies (3.8) at zero is unique when  $V/(k^* - \alpha) \leq f(0)$  and  $L_b$  extends side-payments fewer than every member of the chamber.

*Condition 2.* Presume that  $V/(k - \alpha) > f(0)$ , so every member of the coalition supporting  $b$  receives a side payment from  $L_b$ . This implies that the advocate for  $b$  must make side payments according to (3.5) in order to secure passage. Differentiating this with respect to  $k$  gives

$$-\alpha \frac{V}{(k - \alpha)^2} - (-(k - b)^2 + (k - q)^2), \quad (3.9)$$

and by evaluating this statement when it is equal to 0 you get case 2 in the lemma. If I take the second derivative of (3.9) and you get

$$\left[ \alpha \frac{2V}{(k - \alpha)^3} \right] + [2q - 2b].$$

Every bracketed component of this statement is positive, so I may conclude that the second derivative is positive. Hence, any  $k^*$  that satisfies (3.9) at zero must be unique when  $V/(k - \alpha) > f(0)$  and fewer than the entire chamber receive a side payment from  $L_b$ .

Now I consider the overall uniqueness of  $k^*$ . Presume that there are two optimal selections of  $k$  that satisfies  $V/(k_1 - \alpha) < f(0) < V/(k_2 - \alpha)$ . Rewriting this, I get  $(k_1 - \alpha) > V/f(0) > (k_2 - \alpha)$ . If  $k_2$  is optimal, condition 2 implies that it will satisfy (3.9) at 0; however,  $f(k_1) < f(k_2)$  and  $f^{-1}(V/(k_1 - \alpha)) > 0$ , which follow from  $(k_1 - \alpha) > V/f(0) > (k_2 - \alpha)$ , imply that

$$-V/(k_1 - \alpha)(\alpha - f^{-1}(V/(k_1 - \alpha))) - f(k_1) > -\alpha V/(k_2 - \alpha) - f(k_2) = 0,$$

a contradiction if  $k_1$  is optimal. Hence there can be at most one optimal  $k$ . ■

## Proof of Proposition 2

Presume, as the proposition suggests that  $f(x, b, q)$  describes the reserve function for a legislative chamber such that  $f(\alpha, b, q) \geq 0$  and  $k < 1$  and  $\alpha \geq 1/2$ .

*Condition 1.* Presume that  $V/(k_1 - \alpha) \leq f(0)$ . *Proposition 1* implies that  $L_b$ 's selection of  $k^*$  will produce two rectangles of equal volume. Let  $A_1 = V/(k - \alpha)(\alpha - f^{-1}(V/(k - \alpha)))$  be the volume of the rectangle to the left of  $\alpha$ , and  $A_2 = -(f(k))(k - \alpha)$  be the volume of the rectangle to the right of  $\alpha$ . One edge of each of these rectangles, forms the edge of a third rectangle, the volume of this rectangle is  $V = (k - \alpha)V/(k - \alpha)$ .

- a. Suppose  $A_1 = A_2 = V$ . For this to be the case,  $A_1 = V/(k - \alpha)(\alpha - f^{-1}(V/(k - \alpha))) < V$ , in order for this to be true  $(k - \alpha) = (\alpha - f^{-1}(V/(k - \alpha)))$ .
- b. Suppose  $A_1 = A_2 < V$ , This implies  $A_1 = V/(k - \alpha)(\alpha - f^{-1}(V/(k - \alpha))) = V$ , so  $(k - \alpha) > (\alpha - f^{-1}(V/(k - \alpha)))$  in order for this to be true.
- c. Suppose  $A_1 = A_2 > V$ , This implies  $A_1 = V/(k - \alpha)(\alpha - f^{-1}(V/(k - \alpha))) = V$ , so  $(k - \alpha) < (\alpha - f^{-1}(V/(k - \alpha)))$  in order for this to be true.

*Condition 2.* Presume that  $V/(k_1 - \alpha) > f(0)$ . *Proposition 1* implies that  $L_b$ 's selection of  $k^*$  will produce two rectangles of equal volume. Let  $A_1 = \alpha V/(k - \alpha)$  be the volume of the rectangle to the left of  $\alpha$ , and let  $A_2 = -(k - \alpha)(f(k))(k - \alpha)$  be the volume of the rectangle to the right of  $\alpha$ . By assumption,  $k < 1$  and  $\alpha \geq 1/2$ , so  $\alpha > (k - \alpha)$  must be true. Hence  $A_1 = \alpha V/(k - \alpha) > V$ . *Proposition 1* implies that  $A_1 = A_2$  which gives us the statement in condition 2. ■

## CHAPTER IV

# Extending the Legislative Game: The Decision to Resolve House-Senate Differences Through a Formal Conference Committee

### Motivation

In this chapter, I show compelling evidence consistent with the conclusion that legislators in the House and Senate use conference committees as mechanisms for extracting political benefits from the legislative process, and that conference frequency varies according to the availability of these benefits. I take as my fundamental assumption that legislators seek to achieve policy goals, but that they also use the legislative process to extract non-policy, political benefits from the legislative process. It follows that House-Senate conferences, as continued rounds of bargaining and voting, provide legislators with additional opportunities to obtain these non-policy benefits. I develop a theory that explains, (1) that legislators would avoid calling for conference committees when legislators' preferences are polarized; (2) heterogeneity in the availability of political benefits leads to systematic variance in conference frequency across issue domains; and less intuitively, (3) that conferences are going to be more common when a consensus exists about the types of policies that should replace the status quo. I provide empirical evidence for all of my theoretical claims.

In what follows, I argue that conference committees represent a deliberate decision by legislators to extend the legislative game. Conferences require that legislators

vote repeatedly, sometimes many times,<sup>1</sup> in order to change the status quo. In this chapter, I argue that the legislative process consists of a non-cooperative game between *legislators* who vote on policy and *interests* who seek to influence legislators' behavior. I assume that interests compete with one another in an attempt to change the status quo or keep it intact. They do this by distributing political benefits to legislators in ways meant to build or undermine coalitions supporting a bill. Political benefits would include pork-barrel benefits directed towards legislators' districts or constituents, commitments to support legislators reelection efforts, or assistance with advancement within the chamber. Thus, legislators profit directly from this competitive interaction between interests. Critically, I argue that when it suits their goals, legislators induce additional rounds of voting by calling for and convening a conference committee. This call for a conference prompts additional rounds of voting and thus induces additional competition between interests. This extended period of competition between interests allows legislators to extract even more political benefits from the legislative process.

My theory represents a new approach to the study of conference committees, and addresses two puzzles associated with earlier efforts to explain why legislators will use the conference to resolve differences in some instances but not in others. First, scholars and Congressional observers have noted a recent and precipitous decline in the use of conference committees to negotiate inter-chamber differences (Oleszek 2010). Recent Congresses represent a nadir in conference frequency. This decline is puzzling in light of received wisdom that suggests that conference committees are the way to most efficiently satisfy the the constitutional imperative that a bill pass the House and Senate in identical form before the President may sign it into law (Smith, Roberts, Vander Wielen 2010).

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<sup>1</sup>Legislators may request that a the chamber ask conference by unanimous consent; however, short of unanimous consent, chambers may request a conference and name a conference committee by way of a series of motions all of which must be voted upon by the chamber (2011).

Second, my theory addresses a puzzling empirical regularity that arises out of the expectation that “policy experts will be advantaged in going to conference” (Krehbiel 1991, 213). This prediction grows out of the assertion that conference committees (and committees in general) provide an opportunity for the House and Senate to leverage particular legislators’ policy expertise in order to produce better policy. Over time, legislators serving on committees develop proficiency in dealing with the issues over which that committee has jurisdiction. If conference committees leverage expertise, it follows that House-Senate conferences will be more likely among bills proposed by committees made up of experienced legislators.

I address this hypothesis using data from the 93rd (beginning in 1973) to the 110th Congress (ending in 2008) in a statistical model.<sup>2</sup> My findings are summarized in table 4.1 in which I present logit estimates of the likelihood that a bill goes to conference conditioned on the average tenure of legislators serving on a committee. As with work that asserts the importance of legislator expertise in determining conference frequency, I assume that time on a committee corresponds to expertise in dealing with the issues before that committee (Krehbiel 1991, 171). I use data on committee membership over the period of the analysis in order to create a measure of average tenure on a committee during a given Congress (Nelson 2011; Cannon, Nelson, and Stewart 2011; Stewart and Woon 2011). In order to isolate the effect of expertise, I only include bills referred to a single Congressional committee, and I fix the effect of tenure by committee.

In table 4.1, the coefficient for Mean Tenure, committee members average tenure on a given committee, is statistically significant and negative. In substantive terms, this estimate suggests that a bill proposed by a committee at the 75th percentile

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<sup>2</sup>Krehbiel tests this hypothesis with data drawn from the 99th Congress. He finds that average committee tenure is positively correlated with the likelihood that a jurisdictional committee’s bills will pass through a conference; however, his specification does not allow for fixed effects by jurisdictional committee. Thus, he does not allow for possibility the effect he attributes to average tenure may actually be due to unmodeled heterogeneity between committees (1991, 215).

Table 4.1: Logit estimates of the likelihood of a conference by mean committee tenure with fixed effects by committee jurisdiction.

	Estimate (S.E.)
Mean Tenure	-0.243 ( 0.057)
(Intercept)	-0.98 ( 0.303)
N	6263
<i>Deviance</i>	4128.215
$-2LLR(Model\chi^2)$	1395.379
<i>AIC</i>	4212.215

(average tenure of 4.636 Congresses) will be 37% less likely to send a bill to conference than the same committee if it was in the 25th percentile (average committee tenure of 3.444 Congresses). Perhaps more intuitively, the findings summarized in table 1 suggest that as legislators serving on a Congressional committee gain more expertise, the bills that committee produces will be less likely to pass through a conference committee. This finding is puzzling in light of theories that posit that conference committees are institutions meant to leverage informational asymmetries between the committees of experts and the rest of the legislative chamber. The data indicate that the more specialized a committee becomes, the less likely it is that bills it produces will pass through a conference committee.

In what follows, I present a contrasting claim. I argue that conference committees will be more likely when a conference provides legislators with additional opportunities to extract political benefits. According to my theory, conferences will be more likely when opportunities for benefit extraction are abundant. Conversely, conferences will be less likely when those opportunities are scarce. This represents a new approach to the study of conference committee frequency. I test my theory against data drawn from the 93rd to the 110th Congress and find strong support for my claims

that conference committees occur when legislators can use the conference process to extract political benefits from interests trying to influence the legislative outcomes.

The remainder of the chapter proceeds as follows. First, I connect my conceptualization of Congressional organization to other theories of Congressional behavior and lay the groundwork for my theory. I describe the logic that leads me to predict that that conference frequency will be influenced by the degree of polarization within Congress and heterogeneity of political resources across different issue domains. Second, I discuss the data I will use to test the hypotheses my theory suggests, and I articulate a strategy for estimating the effects of polarization and resource heterogeneity. Third, I present findings that strongly support my theoretical claims, specifically, that conferences are less likely when Congress is highly polarized, and that conferences are more likely in policy areas that provide ample opportunities for legislators to extract political benefits. Finally, I end the chapter by providing some conclusions.

## **Theory**

My theory of conference committees builds upon the models of Congressional behavior and organization I presented in chapter 3. The interaction between legislators and interests that I posit was first explored in detail and in more general terms by Groseclose and Snyder (1996). In their formal model, they show that an interest pushing for a bill to pass may prefer to build greater than minimum winning coalitions. By doing so, interests who wish to see a bill pass force opposing interests to divide their resources among more legislators, and under certain circumstances this allows for the more efficient construction of a winning coalition. Diermeier and Myerson build on this result, and consider how strategic legislators may change their behavior in the presence of interests competing for their votes (1999). They allow chambers in a bicameral legislature to determine their own decision rules, and they show that legislators in such a setting prefer more demanding decision rules because it leads in-

terests to distribute more generous benefits to more legislators. In chapter 3, I showed that this explanation of the legislative process leads us to expect legislators, including centrists, to prefer relatively extreme policy and therefore more extreme agenda setters. These theories are related in that they assume that legislators have policy oriented and politically oriented goals and that they make decisions in an environment where interests compete for legislators votes. This interaction between interests and legislators has important implications for the types of coalitions that should emerge in Congress and the types of institutions that legislators develop to make collective decisions. In what follows, I show that the assumptions in these models provide a foundation upon which I may build a theory of conference frequency.

In this section, I present a theory derived from the assumptions that legislators care about the political and policy benefits associated with the legislative process and make decisions in an environment where interests vie for votes. This theory explains why a polarized Congress will be less likely to send a bill to conference, and how resource heterogeneity across issues leads to systematic differences in the likelihood that legislators send a bill to conference. I begin by outlining the assumptions that underlie my theory of congressional behavior, and I discuss how conference committees fit into that theory. Next, I demonstrate how the logic of this theory connects polarization to the systematic decline in conference frequency from 93rd Congress which started in 1973 to the 110th congress which concluded in 2008. After that, I explore my theory's implications when the allocation of resources across policy areas differ. I present the logic that leads me to expect that conferences will be more likely among bills that deal with issues for which there is a greater availability of political resources. Finally, I examine my theory's implications for conference frequency when interests' goals diverge, and I explain the logic that leads to the counter-intuitive expectation that conference committees should be more likely on issues for which which there is a greater consensus between interests.

## Theoretical Preliminaries

I begin by presenting the analytically relevant actors in my theory and discuss how they derive utility from the legislative process. For each group of actors, I discuss strategies they may use for influencing the legislative game in order to extract the greatest possible benefit. My analysis focuses on the behavior of two types of actors; (1) Interests who are associated with the legislative process and wish to influence legislative outcomes but lack power to propose policy or set the rules of the legislative game; and (2) legislators who are responsible for setting policy and the rules of the legislative game.

### *Legislators' and Interests' Goals*

In my theory, there are two types of interests, one who wishes to achieve a bill's passage and another who wishes to ensure a bill's failure. Strictly speaking, these interests do not care about the specifics of particular policy alternatives, they simply wish to change or maintain the status quo. I assume that interests engage in a game in which each side receives an endowment of resources that they may use to influence the legislative process. In their competition to change or maintain the status quo, both sides wish to achieve their goal at the lowest possible expenditure of these resources. In my theory, these interests have no control over the particulars of the policy considered by the chamber nor do they have a say in the nature of the institutions used to reach a collective choice in the legislature.

By contrast, I assume that legislators make decisions according to the costs and benefits associated with the alternatives they face, and that their evaluation of alternatives has a policy component and a political component. I assume that each legislator's preferences for policy exist along a single dimension, and all else being equal, legislators prefer alternatives closer to their ideal policy over alternatives that are further away. In addition to these policy oriented goals, I assume that legislators pursue non-policy, political goals. These goals might include reelection, advancement within the cham-

ber, or commitments for support on other legislative initiatives. Legislators select a strategy that maximizes the total benefits, policy and political, they receive from the legislative process.

### *Legislators' and Interests' Strategies*

In my theory, interests engage each other in a competitive game in which they attempt to build or undermine coalitions supporting a bill. They do this by extending payments drawn from their endowment of resources that they may use to supplement legislators receive from policy. These payments constitute the political benefits that legislators receive from participating in the policy process and serve to influence legislators either to join a coalition supporting a policy or to oppose it. Each interest may choose the recipient and size of the payments they make. It follows that the interest who likes a bill may secure its passage if he has enough resources to offset attempts by his opponent to undermine the coalition supporting the bill.

For the purposes of the argument I make here, I assume that legislators may also support or oppose a bill, and they will vote in a way that brings them the greatest benefit. In addition, I assume that legislators may choose to vote to change the status quo once, or they may choose to vote twice. The decision to add an additional round of voting is equivalent to sending a bill to conference. So long as interests have the resources to play their game, multiple rounds of voting will induce multiple rounds of payments from interests in an effort to influence the a policy's prospects. Critically, I assume that legislators know interests' budget constraints, and condition their calls for conference accordingly.

### **Predicting Conference Frequency**

In this section, I consider how polarization makes repeated rounds of bargaining less appealing to legislators. Polarized legislative chambers make each round of voting more costly for interests, and thus makes it less likely that repeated rounds of voting

(as occurs when a conference committee considers a bill) will result in the successful passage of a bill. Next, I consider how the distribution of resources will influence the likelihood of a conference occurring. I show that when there are more resources available, the likelihood of conferences should increase. Likewise, I show that when resources are concentrated among interests with similar goals, conferences should be more likely.

### **Polarization and Conference Frequency**

Increased polarization should lead to a decrease in the use of conference committees. Intuitively, polarization in Congress consists of a disagreement between two relatively homogenous groups of legislators (Poole and Rosenthal 1997; 2007; Theriault 2007). Conferences are less likely when the distribution of legislators is highly polarized because polarization makes building a winning coalition more costly for interests who want a bill to pass. In polarized environments, they expend all their resources getting the bill passed once, leaving few resources to ensure the bill's passage in later rounds.

Legislators are aware of the costs to interests of constructing a winning coalition and condition their call for a conference accordingly. Legislators will call for a conference committee when they believe they may extract additional political benefits from interests through additional rounds of voting. Following the first round of coalition building and voting, an interest advocating for passage may or may not have spent all of her resources ensuring the bill gets enough votes. I say an interest maintains a surplus after the first round of voting if she spends less than her resource endowment to secure the bills passage through the first round of voting. A large surplus results when an interests must spends little relative to his initial endowment to ensure a bill's passage. A small surplus results when he must spend a lot relative to his initial endowment to ensure a bill's passage.

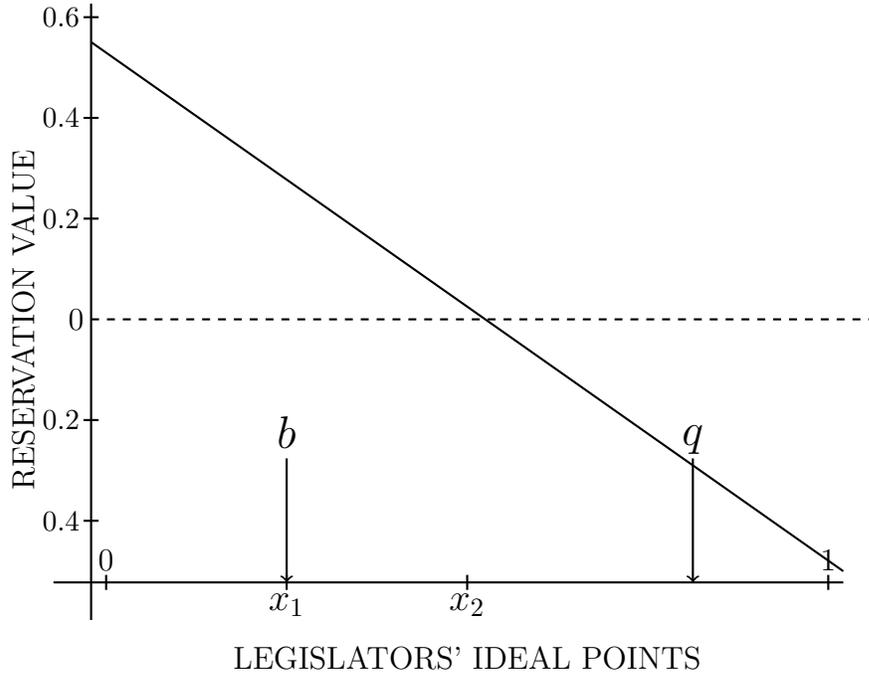
Calling for a conference committee only makes sense when interests run a surplus following the first round of voting. The conference committee procedure induces additional votes that require an interest to expend additional resources in order to for the bill to pass the House and Senate and proceed to the President for his signature. When the initial passage of a bill is very costly, it is less likely that an interest will maintain a surplus that would allow for the successful passage of the bill through a second round of voting.

My theory suggests that polarized chambers make it costlier to build winning coalitions in each round of voting. In my conceptualization of congressional behavior, interests compete for legislators' votes. To achieve his goal of securing a bill's passage, an interest who wishes to see a bill pass must build a winning coalition whose members are better off than they would be had they opted to vote against a bill. His opponent may successfully undermine by enticing enough of the winning coalition's membership to change their votes.

To see how this works, consider the scenario represented in figure 4.1. Suppose a chamber considers a bill that will alter a conservative status quo to a liberal alternative. The interest that wishes a bill to pass must build a coalition that includes enough legislators to ensure passage. In addition, he must bolster the coalition against any attempts to change coalition members' minds. The more liberal members of the winning coalition are invulnerable to any such attempts because they prefer the proposed policy quite a bit more than they prefer the status quo; however, more moderate members of the coalition are vulnerable. More moderate members are closer to indifferent to the proposed policy and the status quo, so getting them to switch their vote will be relatively cheap. This logic suggests that interests pushing for a bill's passage will concentrate more resources on moderate legislators in order to bring them into the winning coalition or to keep them there.

In figure 4.1, policy exists along a primary dimension,  $[0, 1]$ . Legislators evaluate

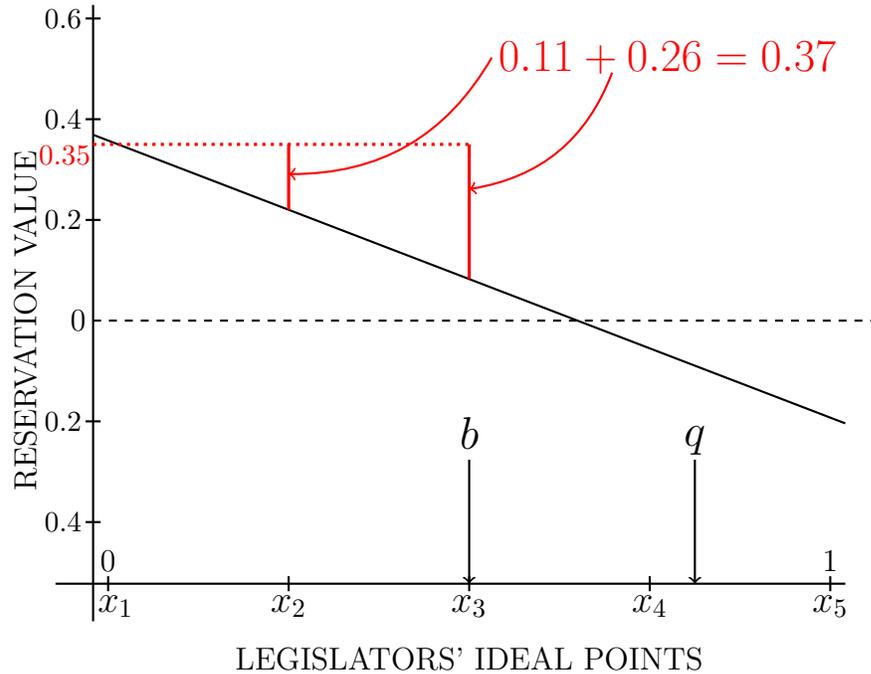
Figure 4.1: Comparison of reservation values and side payments in a small legislature.



the bill  $b$  against the status quo  $q$ . The downward sloping line corresponds to legislators' reservation value for  $b$ . It represents the degree to which legislators prefer  $b$  to  $q$ . In the example illustrated in 4.1, the legislator located at  $x_1$  has a stronger preference for  $b$  compared to the legislator located at  $x_2$ . This means that it would take more to entice the legislator at  $x_1$  to change her vote compared to the legislator at  $x_2$ .

Now consider scenario in which the interest pushing for passage builds a minimum winning coalition. This means that losing one member of the coalition would result in failure to pass the bill. The interest pushing for passage must bolster every member of his coalition against the best offer that his opponent might make to any coalition member. Now consider a contrasting scenario in which the interest pushing for passage builds a coalition that includes the minimum winning coalition and one additional member. This greater than minimum winning coalition must lose two members in order for the bill to fail. If this is the case, an interest pushing for a bill's failure must divide his resources between at least two legislators in order to entice two members

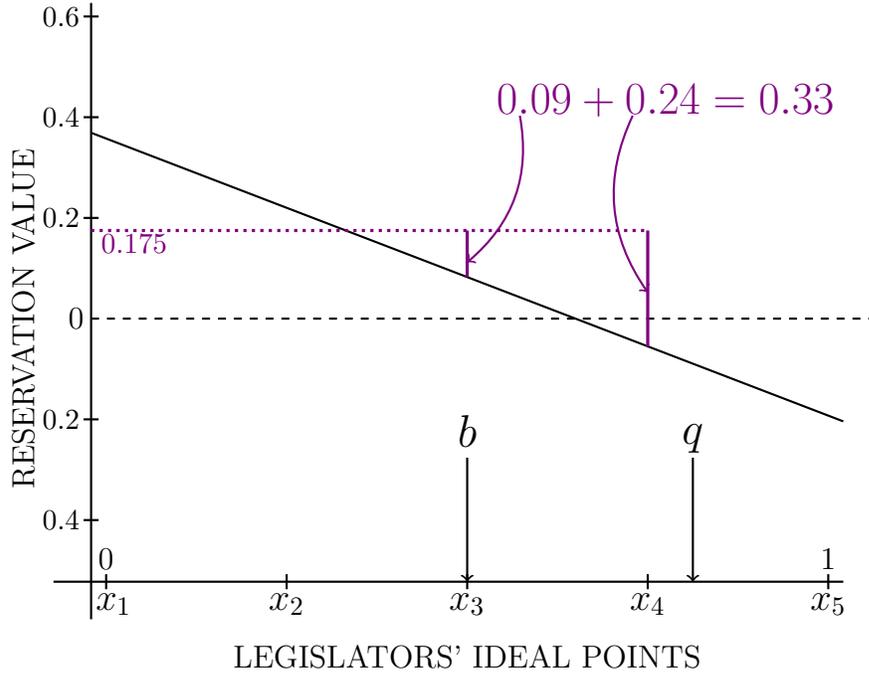
Figure 4.2: Example of optimal side payments to a minimum winning coalition when  $V = 0.35$  with uniformly distributed legislators.



away from the winning coalition. Expanding the coalition further will induce the interest pushing for a bill's failure to further divide his resources. Depending on the distribution of legislator preferences, an interest pushing for a bill's passage may find it preferable to construct a smaller coalition or a larger coalition. Groseclose and Snyder show that interests pushing for a bill's passage may efficiently do so by building a greater than minimum winning coalition (1996). It follows that the size of the winning coalition will be linked to the underlying distribution of legislators' preferences – some distributions make building a coalition cheaper, and others make building and maintaining coalitions more costly. To see why this is the case, consider the example of two very small legislative chambers represented in figures 4.2, 4.3, 4.4, and 4.5.

When the distribution of legislators' preferences becomes more polarized, winning coalitions will be more costly to construct, all else being equal. Suppose that the interest pushing for the bill to fail is endowed with resources totaling  $V = .35$ . If

Figure 4.3: Example of optimal side payments to a super majority coalition when  $V = 0.35$  with uniformly distributed legislators.



legislators have preferences represented as  $x_1$ ,  $x_2$ ,  $x_3$ ,  $x_4$ , and  $x_5$  as in figure 4.2 and 4.3, it will be more efficient for an interest pushing for a the bill's passage to build a greater than minimum winning coalition. This is the case because an interest pushing for passage must bolster his coalition against any incursion by his opponent. The interest pushing for the bill's failure may undo a minimum winning coalition by persuading just one legislator to switch votes, and he is willing to expend all his resources to do so. This prompts the interest pushing for the bills passage to match the highest payment his opponent may offer. In the example illustrated in figure 4.2, this would cost the interest pushing for passage a total 0.37 units of utility.

A greater than minimum winning coalition is less costly to construct when legislator preferences are located at  $x_1$ ,  $x_2$ ,  $x_3$ ,  $x_4$ , and  $x_5$ . This is the case because two legislators much switch votes in order for the bill to fail when it is supported by a greater than winning coalition. So by expanding the winning coalition, the interest pushing for the bill's passage forces his opponent to divide resources among two

legislators. The result is a coalition that is less costly to maintain. In this example, it costs 0.33 units of utility to keep the greater than minimum winning coalition together. Since the interest pushing for passage prefers the less costly alternative, he would opt to build a greater than minimum winning coalition in this case. This scenario is illustrated in figure 4.3

Now suppose an interest is trying to influence legislators with ideal points represented as  $x_1$ ,  $x_2$ ,  $x_3$ ,  $z$ , and  $x_5$  as in figures 4.4 and 4.5. In this scenario, a minimum winning coalition is more appealing. As in the previous example, it continues to cost 0.37 units of utility to maintain a minimum winning coalition. The difference is that in order to expand the coalition to include a fourth member, the interest must make a large payment to the legislator at  $z$ . This means that the the greater than minimum coalition will cost a total of 0.415 units of utility to maintain. Therefore, the interest will prefer to construct and maintain a minimum winning coalition when legislators are located at  $x_1$ ,  $x_2$ ,  $x_3$ ,  $z$ , and  $x_5$ .

I have assumed that legislators preferences are distributed evenly in the former scenario. In the latter scenario, legislators' preferences are more polarized. Since  $x_4 < z$ , the average location of the more conservative legislators is further away from the more liberal legislators. In the unpolarized chamber, an interest could cheaply expand his coalition and force his opponent to divide his resources between more than one legislator. In the polarized chamber, it was more costly to expand the the coalition, so the interest was forced to maintain a costly minimum winning coalition. In this example, the interest would anticipate paying 0.37 to get the bill passed in a polarized chamber, but only 0.33 to pass the bill through the unpolarized chamber. This implies that he would maintain a larger surplus in an unpolarized environment.

Legislators are aware of the strategies available to interests, and they will alter the course a bill takes through the legislature in order to capitalize on interests' strategic interactions. In particular, legislators will add in rounds of voting and bargaining

Figure 4.4: Example of optimal side payments to a minimum winning coalition when  $V = 0.35$  with polarized distribution of legislators.

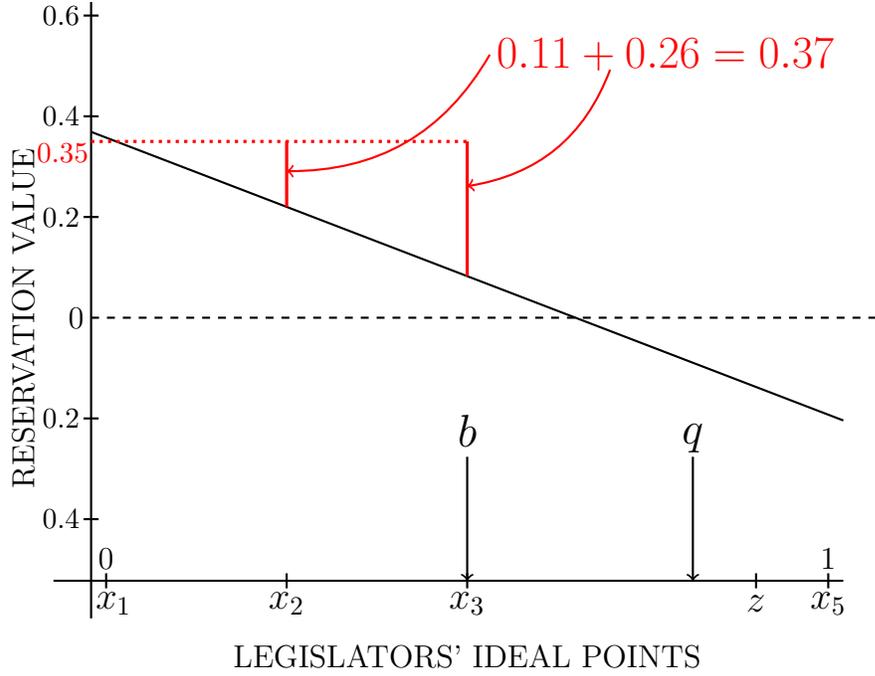
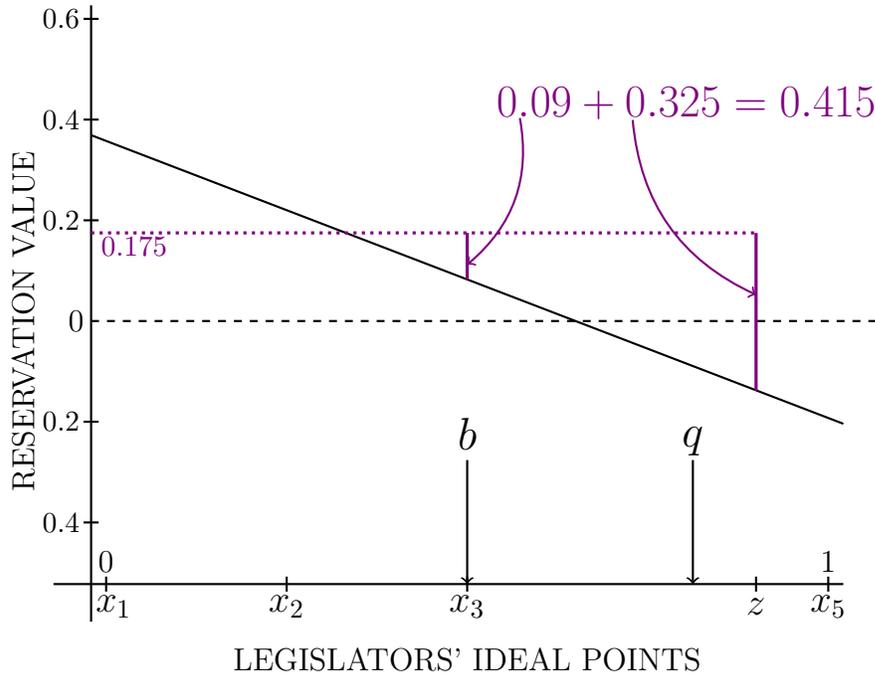


Figure 4.5: Example of optimal side payments to super majority coalition when  $V = 0.35$  with polarized distribution of legislators.



in order to extract additional political benefits from interests if legislators believe additional benefits are available. For example, suppose the interest pushing for a bill's passage has a resource endowment  $W = 0.67$  and the legislators are distributed as in figures 4.2 and 4.3. This suggests that after one round of voting, the interest pushing for passage will have a surplus of 0.34. This is enough to maintain the coalition through a second round of voting. Since it provides added opportunities for benefit extraction, it makes calling for a conference committee appealing in this case.

Contrast this with the scenario represented in figures 4.4 and 4.5. In this case, legislators will not call for additional rounds of voting when  $W = 0.67$ . Here, the interest pushing to pass the bill must expend relatively more resources in order to get the bill through the first round of voting. Passing the bill through the legislature once costs 0.415. This leaves a much smaller surplus of 0.255 which is not enough to secure the bill's passage in a second round of voting. Since a second round of voting would lead to the bill's failure, legislators would not call for a conference committee in this case.

Polarization makes passing a bill more costly, and therefore also makes a conference committee less appealing. Thus, if resources available to interests remain constant, more polarized chambers will make conferences less likely. I restate this conclusion as the following hypothesis.

$H_1$ : As polarization increases, the likelihood of a conference committee should decrease.

## **Resources and Conference Frequency**

When more resources are available, conference committees will be more likely. In order to succeed in his goal, the interest that wishes to see a bill pass will use the resources at his disposal to construct a coalition of legislators that cannot be undermined by an opponent's efforts. Above, I denoted these resources as  $W$ . Any

opponent of the interest pushing for passage wants the bill to fail, and is willing to use the resources at his disposal,  $V$  in the example above, to achieve his goal.

Legislators observe  $W$  and  $V$ , and condition their calls for conference accordingly. When interests have a lot of resources to expend, it follows that legislators will use the legislative process to leverage additional payouts from interests. Thus, more resources suggests that interests will call for additional rounds of bargaining in which they may extract additional political benefits. I restate this conclusion as the following hypothesis.

*H<sub>2</sub>*: As the absolute amount of resources associated with a bill increase, the likelihood of conference committee for that bill should likewise increase.

My theory also suggests that when interests share goals, conference committees should be more likely. The example represented in figures 4.2 and 4.3 highlights the importance of the relative sizes of interests' resources endowments. In order to pass a bill, the interest pushing for passage must possess sufficient resources to maintain his coalition against his opponent's efforts entice coalition members away. Legislators are aware of the relative sizes of  $W$  and  $V$ , the resource endowment of interests pushing for passage or failure. If resources are concentrated among interests who wish to see the bill pass (when  $W$  is large relative to  $V$ ), then the interest pushing for passage will be more likely to maintain a winning coalition through one round of voting and maintain a surplus while doing so. When resources are concentrated in a way that generates a surplus, legislators will respond by adding rounds of voting in order to force interests to pay out these surplus benefits. Thus, the concentration of resources on one side of an issue will lead to more conference committees. I restate this conclusion as the following hypothesis.

*H<sub>3</sub>*: Conferences will be more likely on issues for which interests' preferences are homogenous.

The predictions I have outlined here rely on the assumption that interests attempt to influence legislative either vote for or vote against a bill, and that more than one interest contend for legislators' support. I claim that legislators call for a conference committee in order to induce interests to engage in additional rounds of competition. Additional rounds of competition forces interests to pay out more political benefits to legislators. On the other hand, legislators will avoid sending bills to conference if they anticipate that added rounds of voting will not bring additional political benefits. This will be the case when interests lack the resources to engage in additional rounds of competition. In particular, I have shown that factors like chamber polarization, resource abundance, and the heterogeneity of interests' preferences alter the costs of building a coalition, and consequently these factors also alter the benefits to legislators of sending a bill to conference.

## **Empirical Evidence**

I explore these hypotheses using data drawn from the 93rd to the 110th Congress. I begin this section by discussing sources of data and measurement of theoretically relevant factors. Next, I describe the method by which I estimate the effects of these factors on the likelihood of a bill going to conference. Finally, I present and interpret my findings that conference frequency is driven by polarization, resource abundance, and the homogeneity of interests' preferences.

### **Data**

I draw information about my dependent variable from the *Calendars of the House of Representatives and History of Legislation* (HC). I supplement these data with measure of key independent variables drawn from the *Congressional Bills Project* (Alder and Wilkerson 2010), the *Policy Agendas Project* (Jones, Baumgartner, and Wilkerson 2011), Walker's survey of interest groups that lobby Congressional committees

(1991). After discussing data sources, I defend the specifics of how I operationalize the theoretical factors I have described – polarization for hypothesis 1, resource abundance for hypothesis 2, preference homogeneity for hypothesis 3.

#### *Measures of Polarization*

I use Congressional period as a proxy for polarization of preferences. My theory predicts that conferences should be less likely in polarized environments as compared to less polarized environments. A polarized legislature is one in which there is a division between two groups of legislators that have conflicting preferences over policy. Poole and Rosenthal have shown that the distribution of preferences has become increasing essentially bimodal since the early 1970s with most Republicans preferring more conservative policies and most Democrats preferring more liberal policies (1997). Hence, each successive Congress represents a more polarized legislative environment in the House and Senate. I expect that as time passes with each successive Congress, conference committees will become less likely.

#### *Measures of Resource Availability*

I use measures of resource abundance that reflect the distributive potential of a policy area and the resources available to interests pushing for a bill's passage. I expect that legislators will be more likely to call for a conference committee when resources available to interests are abundant. In order to test this prediction, I need to measure the resources available to interests advocating for or against a given bill.

I am able to create such a measure by combining information from two datasets. First, Alder and Wilkerson provide a bill topic code that corresponds with the substantive purpose addressed by a bill (2011).<sup>3</sup> Second, these topic codes correspond to budget codes provided by Jones, Baumgartner, and Wilkerson in their *Policy Agendas* data (2011). By aggregating the amount of money designated for a particular topic in the budget, I may measure the distributive potential of any bill associated with

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<sup>3</sup>Topic codes are not available for the 110th Congress, so I cannot map budget data onto bills passed in that Congress.

that topic.

I also use data gathered by Walker with regards to *Activities and Maintenance Strategies of Interest Groups in the United States* (1991) to measure the political benefits associated with a particular policy area. I focus on data collected by Walker in his 1980 census of interest groups listed in the *Congressional Quarterly's Washington Information Directory, 1979*. While these data were collected some time ago, they represent one of the best measures of interest groups efforts to target particular committees. From these data, I develop a count of the number of interest groups focused on particular committees,<sup>4</sup> and the revenue that organizations collected in the fiscal year prior to the survey.<sup>5</sup> In contrast with the *Policy Agendas* data, Walker's data do not map directly onto policy topics. Rather, these data focus on committee activities which only roughly correspond with policy topics. I assume that as more interest groups focus on a particular committee, there will be weakly more resources available to influence legislators when Congress considers bills in that particular policy area. Likewise, when groups targeting Congressional committees gather more revenue, I expect those groups to be endowed with greater resources to influence legislator behavior when it comes to issues considered by that committee. As hypothesis 2 indicates, I expect that it will be more likely that a bill passes through a conference committee when more political resources are available.

#### *Measures of Asymmetry between V and W*

I rely on self reported measure of interest groups' ideological preferences from Walker's survey to gauge the homogeneity of preferences between interests (1991). My theory indicates that conferences will be more likely when interests share similar preferences, and less likely when interests' preferences diverge. Walker asked groups

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<sup>4</sup>In Walker's survey, he asked, "Are there Committees or Subcommittees of the U.S. Congress with which this association communicates, consults or interacts? If yes, please specify the two most important committees or subcommittees."

<sup>5</sup>In the survey, revenue was self reported in response to the question, "What was the total revenue for this association from all financial sources, including grants and contracts, during the last fiscal year?"

to score their ideological preferences over business and social policy using a five point scale.<sup>6</sup> If groups targeting a committee tend to be similar (low variance in ideological preferences), the resources will tend to be concentrated among interests pushing for one point of view or a set of similar points of view. On the other hand, as group preferences diverge (high variance in ideological preferences), then there is a potential for resources being more evenly spread across differing points of view. I expect that when interests' preferences are homogenous, conference committees will be more likely.

### *Measures of Conference Frequency*

I observe the incidence of a conference committee from the final edition of the *Calendars of the United States House of Representatives and History of Legislation* for the 93rd (1974) to the 110th (2008) Congresses. The dependent variable for this analysis is whether or not a bill goes to conference. Bills that the *Calendars* indicates went to conference are coded as 1 while bill that did not go to conference are coded as 0. For the purposes of the analysis I present here, I take bills that become public laws – bills passed by Congress and signed by the President – as reported by the *Congressional Bills Project* as the population interest. Examining public laws allows me to make few assumptions about which bills are included and excluded from the analysis.<sup>7</sup> Moreover, focusing on public laws allows me to avoid the potential for bias that stems from using a post hoc evaluation of a bill's importance. Such measures are problematic because the conspicuous act of convening a conference committee may

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<sup>6</sup>The item focused on preferences for business related policy was phrased as follows. In general, do the policy positions of this association tend to call for: (1.) Much more government regulation of business and industry? (2.) Some additional government regulation of business and industry? (3.) Present level of regulation? (4.) Less government regulation of business and industry? (5.) Much less government regulation of business and industry? The item focused on groups' preferences for social policy asked the following. In general do the policy positions of this association tend to call for: (1.) Much more government provision of social services? (2.) Some additional government provision of social services? (3.) Present level of services? (4.) Less government provision of social services? (5.) Much less government provision of social services?

<sup>7</sup>I have conducted the analysis using all bills in the Congressional bills project as the population. This more inclusive approach generated substantively similar findings.

bring an otherwise routine bill into the spotlight and make it seem more “major” than it really is.

### **Estimation Strategy**

I estimate the relationship between the conditions suggested by my theory and the likelihood of the House and Senate sending a bill to conference in the context of a logit model. The dependent variable is the incidence of a bill going to conference (1 for bills sent to conference, 0 for bills not sent to conference). I estimate the influence of independent variables which include the budget of resources associated with a particular policy area, the homogeneity of interests in a particular policy area with a fixed effect by Congress.

Since many of my measures are committee specific, I limit my analysis to bills referred to a single committee, and use measures associated with the committee to which the bill was initially referred in the chamber where the bill was initially introduced. I focus my analysis to single referral bills to address a limitation of the *Congressional Bills Project* data. Alder and Wilkerson report the committees that considered the bill in the chamber where the bill was introduced, but do not report this information for committees in the other chamber (2011). My analysis focuses on the period running from the 93rd Congress (which began in 1973) to the 110th Congress (which ended in 2008). This period includes episodes of both Democratic and Republican unified control of the House and Senate and periods of divided control.

### **Findings**

The data provide strong support for each of my claims about conference frequency. I find strong evidence that polarization is linked to the decrease in conference frequency. The decline in the use of conference committees began long before the most

recent Democratic takeover in 2007 and tracks the rise of ideological polarization in Congress. The data also support my theory's claim that conferences are more common when the interests associated with the policy addressed by a bill have similar preferences. Bills produced by committees lobbied by homogenous interests are more likely to end up in a conference committee. Finally, I find strong support for my hypothesis that conferences will be more common when interests have increased access to resources they may use to influence the legislative process. The chambers are more likely to send a bill to conference when it addresses issues for which more money has been allocated in the federal budget.

### *Polarization*

I present the effects of increased polarization in the table 4.2. Hypothesis 1 indicates that as polarization increases, the likelihood that any bill goes to conference should decrease. Between the 93rd Congress which began in 1973 and the 110th Congress which concluded in 2008, polarization steadily increased. My theory predicts an inverse relationship between polarization and the likelihood that a bill is sent to conference. Since polarization has increased steadily since the 1970s, the relationship I predict between polarization and a decline in conference frequency contrasts with claims that the decline in the use of conference committees has been precipitous in the most recent Congresses. I test these predictions against a null hypothesis that no decline in conference likelihood should occur over this period.

My findings are summarized in model (I) in table 4.2 and reveal a steady and significant decrease in the likelihood that a bill passes through a conference committee over a period beginning in the 1973 with the 93rd Congress and concluding in 2008 with the 110th Congress. In a substantive sense, model (I) suggests that a public law passed in the 110th Congress was 7% as likely to go to conference as public law passed in the 93rd. To be sure, this is a comparison of extremes, the 93rd Congress was far less polarized than the 110th. Figure 4.6 summarizes the decline in likelihood that a

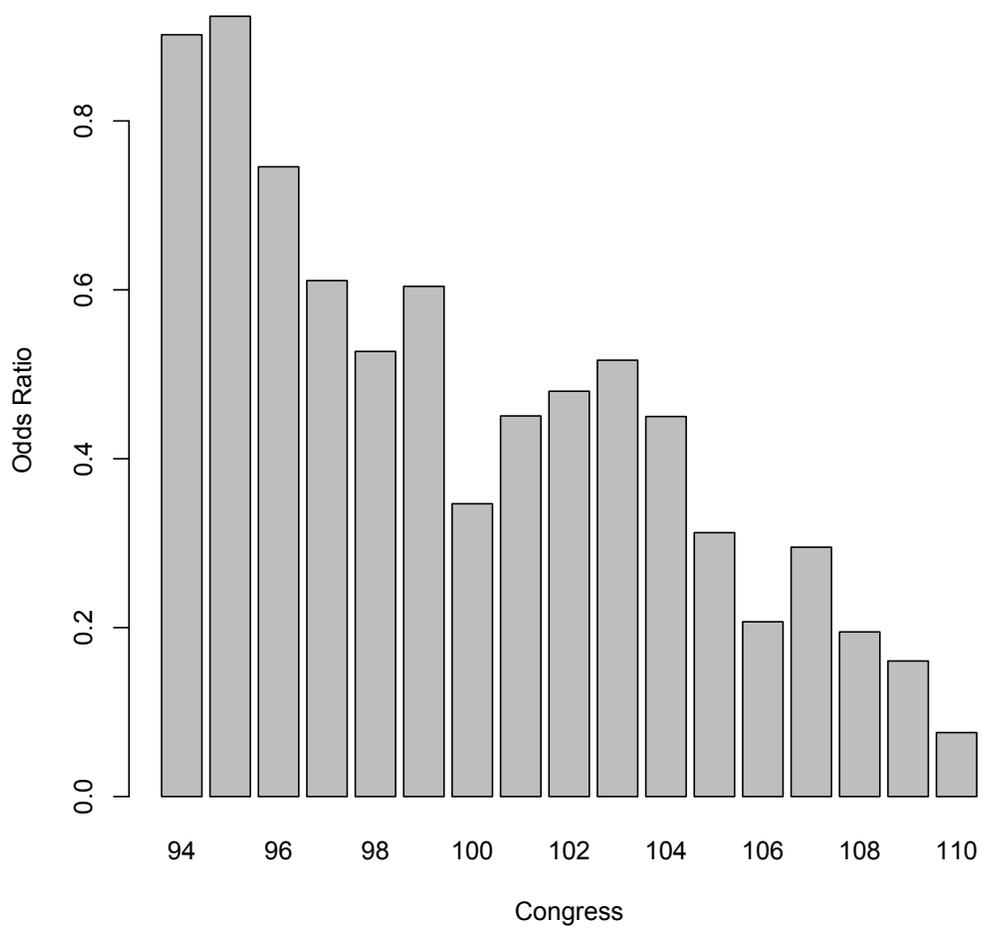
Table 4.2: Logit estimates of the likelihood of a bill going to conference with the 93rd Congress acting as baseline.

	(I)
	Estimate
	(S.E.)
94th Congress	-0.103 ( 0.136)
95th Congress	-0.079 ( 0.133)
96th Congress	-0.293 ( 0.139)
97th Congress	-0.493 ( 0.151)
98th Congress	-0.64 ( 0.158)
99th Congress	-0.504 ( 0.151)
100th Congress	-1.059 ( 0.169)
101st Congress	-0.797 ( 0.165)
102nd Congress	-0.734 ( 0.163)
103rd Congress	-0.66 ( 0.168)
104th Congress	-0.799 ( 0.187)
105th Congress	-1.163 ( 0.192)
106th Congress	-1.575 ( 0.193)
107th Congress	-1.22 ( 0.214)
108th Congress	-1.635 ( 0.201)
109th Congress	-1.829 ( 0.216)
110th Congress	-2.58 ( 0.296)
(Intercept)	-0.916 ( 0.093)
N	7985
<i>Deviance</i>	6735.11
$-2LLR(Model\chi^2)$	370.058
<i>AIC</i>	6771.11

bill went to conference in each successive congress compared to a baseline set at the 93rd Congress. The model indicates that, compared to the likelihood of a bill going to conference in the 93rd Congress, a bill is statistically less likely to go to conference in every Congress after the 96th Congress. In addition, while not statistically significant at the 95% confidence level, the model indicates that a bill is still less likely to go to conference in both the 94th and 95th Congresses. As figure 4.6 indicates, it is clear that the decline in chambers' use of conferences is marked and steady over this period.

Model (I) also provides insight into claims that the decline in conference frequency is a recent phenomenon. The 95% confidence interval for the odds ratio associated with the 110th Congress is (0.042, 0.136). When compared to the the 95% confidence interval of odds ratios of the 109th Congress, (0.105, 0.245); the 108th Congress, (0.131, 0.289); and the 107th Congress, (0.194, 0.449), it is clear that the that decline does not coincide with the Democratic takeover of both chambers of Congress at the beginning of the 109th Congress. Rather, the decline has been a gradual one in which I cannot statistically distinguish between the likelihood that a bill is sent to conference in the 110th Congress and and the likelihood that a bill goes to conference in the 109th Congress at the 95% confidence level. These data also do not allow me to draw a statistical distinction between the likelihood that a bill goes to conference in the 109th and 108th and so on; however, there is a clear statistical difference between the 110th Congress and the 107th Congress, but this is indicative of the overall trend suggested by my theory. This gradual decrease in the likelihood that bill is sent to conference casts substantial doubt on claims that a decline in conference committees is the result of a recent procedural innovation. Rather, the decline in conference frequency over time must be tied to some underlying and persistent trend that predates the Democratic takeover in 2007 at the beginning of the 109th Congress. These data suggest that the rise of polarization in Congresses of this period is the

Figure 4.6: Odds Ratios of the likelihood of a conference committee over time, 93rd Congress as Baseline



reason for the decline in conference frequency.

### *Preference Homogeneity*

I present the estimated effects of preference homogeneity among interests on the likelihood of a bill going to conference in table 4.3. The estimates in table 4.3 use data from the *Congressional Bills Project* (2011) and from Walker's data on interest group activity (1991). The variables of interest in these models are *Economic Preferences* and *Social Preferences* which measure the variance in ideological preferences of interest groups. Both are drawn from Walker's survey of interest groups that lobby Congressional committees, and correspond to the variance in preferences of groups that target particular Congressional committees. As Walker's data is cross sectional and maps interest groups onto Congressional committees, the variance captured in models (II) through (VII) is across committees and does not vary with time. With his survey of interest groups, Walker captures a snapshot of interest group behavior in the early 1980s. I assume that this snapshot is representative of interest group behavior over the entire period of analysis; however, I include estimates derived from a truncated sample (models (III), (V), and (VII)) in order to show that my estimates are not the result of applying Walker's measures to later Congresses. Estimates in these models are based on data from the 93rd to the 101st Congresses – the four Congresses preceding and the five Congresses following 1980, the year Walker conducted his survey. I include fixed effects by Congress, so my estimates of the influence of interest heterogeneity are conditioned on the increase in polarization over the period examined.

My theory indicates that conferences will be more likely when interests' preferences are similar and less likely when interests' preferences diverge. This prediction is summarized in hypothesis 3. In terms of these models, my theory leads me to expect that as my measures of preference heterogeneity, *Economic Preferences* and *Social Preferences*, increase, the likelihood of a conference committee should decrease. In

other words, coefficients associated with my variables of interest should be negative. The null hypothesis is that preference heterogeneity should have no effect on the likelihood of a conference committee. The findings reported in models (II), (IV), and (VI) indicate that I can reject the null hypothesis for both measures.

The influence of *Economic Preferences* and *Social Preferences*, which vary by committee, are negative and statistically significant. This suggests that conference committees are less likely when interests associated with a particular policy area have divergent goals. Conversely, when interests share preferences, the statistical model indicates conferences will be more likely. For example, both measures represent the variance in the preferences of interest groups involved with particular policies. According to model (VI), the odds ratio of a bill going to conference when there is a one unit change in *Social Preferences* is 0.78. More concretely, in the larger sample of bills included in this analysis, 25% of the bills scored lower than 7.57 and 75% scored less than 8.95 on *Social Preferences*, a difference of 1.38. This suggests that a bill in the 75th percentile is 29% less likely to go to conference as compared to the likelihood of a bill in the 25th percentile. By contrast, model (VI) indicates the odds ratio of a bill going to conference when there is a one unit change in *Economic Preferences* is 0.97. In this case, 25% scored less than 4.41, and 75% scored less than 7.54. This suggests that a bill in the 75th percentile is 9% less likely to go to conference when compared to a bill in the 25th percentile. The estimates of *Economic Preferences* and *Social Preferences* are robust to all six specifications and indicate that, in addition to being statistically significant, preference heterogeneity also has a substantively meaningful impact on the likelihood of a bill going to conference. I take these findings as strong support for my theoretical. Moreover, based on these findings, I can confidently reject the null hypothesis. Preference homogeneity among interests has a lot to do with the the likelihood that a bill ends up in a conference committee.

### *Interests' Resource Allocation*

I present the estimated effects of interests' resource allocation in table 4.4. As with my estimates of preference homogeneity, I include estimates for the complete period of analysis and estimates on a truncated sample that are closer to coeval with Walkers data collection in the early 1980s (1991). Models (VIII) and (IX) report the estimated effect the budget allocation as reported by Jones, Baumgartner, and Wilkerson (2011) for the policy area that corresponds to a bill's substantive focus as reported by Alder and Wilkerson (2011); models (X) and (XI) report the estimated effect of the total revenue of interest groups' that target the jurisdictional committee that originally considered the bill as reported by Walker (1991); and model (XII) and (XIII) report the estimated effect of the number of interest groups that that target the jurisdictional committee that originally proposed the bill as reported by Walker (1991). Again, I include fixed effects by Congress, so my estimates are conditioned on the increase in polarization over the period I examine.<sup>8</sup> Again, these estimates support my theoretical claims that the availability of political resources influence the likelihood of a conference committee in both the truncated and extended period of analysis.

Hypothesis 2 suggests that when interests have more resources, they will be more capable of influencing the legislative process. Resources may take the form of distributive benefits (which are implicitly political) written into bills or in the form of explicitly political benefits targeted at legislators. In order to direct distributive benefits to legislators, those benefits must be available in the budget. This availability is captured by the variable *Budget Allocation* taken from Jones, Baumgartner, and Wilkerson *Policy Agendas* data (2011). Interests may also direct political benefits to legislators in order to change their vote. The availability of political benefits is cap-

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<sup>8</sup>Data for the 110th Congress are omitted from the analysis because the Congressional Bills Project do not provide issue specific codes for bills passed during that Congress.

tured by the variables *Revenue 1980*, the total revenue collected in 1980 by interest groups targeting the committee that first considered the bill, and *Total Groups*, the total number of groups targeting the committee that first considered the bill. Both *Revenue 1980* and *Total Groups* are drawn from Walker's survey of interest groups (1991). My theory suggests that an increase in *Budget Allocation*, *Revenue 1980*, or *Total Groups* should result in an increased likelihood that a bill passes through a conference committee.

The estimated effect of each of my measures of resource availability are positive and statistically significant. As hypothesis 2 indicates, conference committees are more likely when interests may access more resources for the purpose of influencing legislator behavior. According to model (VIII), when the money budgeted to a particular policy area increases by \$100 billion, the odds ratio of a bill going to conference is 1.024. An odds ratio of 1.024 means that a \$100 billion increase in budget results in a 2.4% increase in the estimated likelihood of a bill going to conference. Model (IX) also supports the claim made in hypothesis 2. It indicates that the odds ratio of a bill going to conference is 1.179 when groups focused on the issue addressed by the bill raise an additional \$100,000 dollars. The estimated effect of group revenue means that an increase of \$100,000 in group revenue corresponds to an 18% increase in the likelihood of a bill going to conference.

In the sample included in the analysis, 25% of committees were targeted by groups worth less than \$63,530,000, 75% of committees were targeted by groups with total revenue less than \$224,900,000. So a bill produced by a committee with a lobby in the 75th percentile is 1303% (a little more than a thousand times) as likely to go to conference as a bill proposed by a committee with a lobby in the 25th percentile. Findings associated with the size of a committee's lobby are estimated in model (XII). The model suggests the odds ratio of a bill going to conference is 1.032 when the number of groups attempting to influence a committee increases by one. For

every additional group, the likelihood of a conference increases by 3.2%. Thus, a bill in the 75th percentile (sixty-six groups) is 4.3 times as likely to go to conference as a bill in the 25th percentile (twenty groups). In the case of each variable, the effect in the truncated sample is statistically significant, and substantively similar to that of the variable in the extended sample. Again, these findings represent strong statistical and substantive support for the implications of my theory and allow me to reject the null hypothesis that resource availability has little to do with the likelihood that a bill goes to conference.

I find strong support for the hypotheses suggested by theory of congressional behavior. I demonstrated that the likelihood of bills going to conference has declined steadily over time just as the level of polarization has increased over time. Likewise, I have shown that as interests' preferences diverge, conference committees also become less likely. Finally, I've shown that conferences are more likely in situations where interests will have greater access to resources with which they may influence legislators.

## **Conclusion**

I began this chapter by making the observation that conference committees represent an extension of the legislative game. This insight is not unique. Indeed, conference committees have even been called the “third house” of Congress by some observers of American legislative politics and a book about conference committees even takes that name (Longley and Oleszek 1989). Extending the game by calling for a conference is puzzling in light of the fact that it has long been observed that conferences are enormously powerful (Fenno 1966), and that conference committees are often made up of legislators whose preferences differ significantly from legislators in their parent chambers (Vander Wielen 2010). This suggests a puzzle. Why would do rank and file legislators cede control of policy to powerful and possibly outlying

members of an ad hoc committee?

In Chapter 3, I argued that the solution to the puzzle lies in the ways that legislators receive utility from the legislative process. In this chapter, I have assumed that legislators goals go beyond policy to include political goals and ambitions. In addition, I have assumed that non-cooperative interests attempt to reach their own aims by serving legislators' political ambitions. The former of these assumptions is undisputed. Legislators clearly care about policy. The latter of these assumptions is admittedly open to question. I concede that the theory presented in this chapter makes several assumptions that are hard to verify in isolation. Even so, I have shown that the theory I outline here does a very good job of predicting when conferences will be more likely.

In this chapter, I have focused on three predictions suggested by my model of Congressional behavior. (1) I described how the model predicts that conferences should be less likely when legislative chambers are more polarized, and I showed evidence that the decline in conference frequency has coincided with the rise in polarization in Congress. (2) I also outlined the logic for predicting that conferences will be more likely when interests have more resources that they may bring to bear on legislators in order to influence the way they vote. I showed that three measures of interest resources, budget allocation to a bill's issue area, revenue raised by interest groups associated with a bill's issue area, and the total number of interest groups targeting a bill's issue area, all have a positive and statistically significant impact on the likelihood that a bill goes to conference. (3) I also outlined the logic of a counter-intuitive implication of my theory – that conferences should be more likely when bills deal with issues on which consensus exists between interests. I showed conferences are less likely when variance in interests' preferences are high, and more likely when variance in interests' preferences are low. These findings are consistent with the conclusion that conference committees represent, at least in part, a mechanism by which

Members of Congress extract additional political benefits from the legislative process. They choose to extend the game when these benefits are available, and they avoid conferences when these benefits are scarce.

Rejecting the null hypothesis related to this particular model of Congressional behavior has important implications for our understanding of Congress. I have not disputed the fact that Congressional chambers are essentially majoritarian in nature; in fact, majoritarianism is a central assumption of my theory. On the other hand, it is clear that conferences are more likely when the possibility exists for legislators to extract some distributive or political benefit. In particular, legislators manipulate Congressional institutions in order to leverage the competition for their votes between competing interests.

Table 4.3: Logit estimates of conference frequency by various measures of preference homogeneity.

	(II)	(III)	(IV)	(V)	(VI)	(VII)
	Estimate (S.E.)	Estimate (S.E.)	Estimate (S.E.)	Estimate (S.E.)	Estimate (S.E.)	Estimate (S.E.)
Economic Prefs.	-0.033 ( 0.012)	-0.044 ( 0.015)	.	.	-0.031 ( 0.01)	-0.029 ( 0.012)
Social Prefs.	.	.	-0.244 ( 0.019)	-0.169 ( 0.024)	-0.253 ( 0.02)	-0.168 ( 0.024)
Introduced in Senate	-0.301 ( 0.082)	-0.217 ( 0.092)	-0.178 ( 0.083)	-0.103 ( 0.092)	-0.217 ( 0.084)	-0.138 ( 0.093)
94th Congress	-0.124 ( 0.155)	-0.123 ( 0.155)	-0.143 ( 0.157)	-0.125 ( 0.156)	-0.162 ( 0.158)	-0.141 ( 0.156)
95th Congress	0.061 ( 0.149)	0.068 ( 0.149)	0.021 ( 0.152)	0.043 ( 0.15)	0.016 ( 0.152)	0.041 ( 0.151)
96th Congress	-0.28 ( 0.162)	-0.277 ( 0.162)	-0.306 ( 0.165)	-0.29 ( 0.163)	-0.308 ( 0.165)	-0.291 ( 0.163)
97th Congress	-0.244 ( 0.168)	-0.241 ( 0.168)	-0.243 ( 0.171)	-0.234 ( 0.169)	-0.253 ( 0.171)	-0.242 ( 0.169)
98th Congress	-0.321 ( 0.172)	-0.322 ( 0.172)	-0.327 ( 0.175)	-0.316 ( 0.173)	-0.345 ( 0.175)	-0.33 ( 0.173)
99th Congress	-0.25 ( 0.168)	-0.243 ( 0.168)	-0.244 ( 0.171)	-0.234 ( 0.169)	-0.248 ( 0.171)	-0.237 ( 0.169)
100th Congress	-1.289 ( 0.214)	-1.28 ( 0.214)	-1.284 ( 0.217)	-1.262 ( 0.215)	-1.294 ( 0.217)	-1.27 ( 0.215)
101the Congress	-0.696 ( 0.19)	-0.69 ( 0.19)	-0.721 ( 0.193)	-0.696 ( 0.191)	-0.729 ( 0.193)	-0.703 ( 0.191)
102th Congress	-0.568 ( 0.185)	.	-0.634 ( 0.188)	.	-0.624 ( 0.188)	.
103th Congress	-0.33 ( 0.183)	.	-0.384 ( 0.187)	.	-0.378 ( 0.187)	.
104th Congress	-0.894 ( 0.224)	.	-0.872 ( 0.227)	.	-0.882 ( 0.226)	.
105th Congress	-0.973 ( 0.211)	.	-0.936 ( 0.214)	.	-0.942 ( 0.214)	.
106th Congress	-1.473 ( 0.24)	.	-1.389 ( 0.244)	.	-1.374 ( 0.243)	.
107th Congress	-1.273 ( 0.246)	.	-1.036 ( 0.248)	.	-1.035 ( 0.248)	.
108th Congress	-1.749 ( 0.249)	.	-1.599 ( 0.252)	.	-1.597 ( 0.252)	.
109th Congress	-1.561 ( 0.238)	.	-1.439 ( 0.24)	.	-1.437 ( 0.24)	.
110th Congress	-2.535 ( 0.355)	.	-2.469 ( 0.358)	.	-2.462 ( 0.357)	.
(Intercept)	-0.767 ( 0.136)	-0.73 ( 0.148)	1.033 ( 0.195)	0.382 ( 0.224)	1.315 ( 0.213)	0.565 ( 0.239)
N	6251	3543	6251	3543	6251	3543
<i>Deviance</i>	5236.451	3543.414	5085.165	3501.439	5074.031	3495.987
$-2LLR(Model\chi^2)$	296.113	77.095	447.398	119.069	458.532	124.522
<i>AIC</i>	5276.451	3565.414	5125.165	3523.439	5116.031	3519.987

Table 4.4: Logit estimates of conference frequency by availability of non-policy benefits.

	(VIII)	(IX)	(X)	(XI)	(XII)	(XIII)
	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
	(S.E.)	(S.E.)	(S.E.)	(S.E.)	(S.E.)	(S.E.)
Budget Allocation $\times 10^{11}$	0.024 ( 0.008)	0.03 ( 0.001)	.	.	.	.
Revenue 1980 $\times 10^8$	.	.	0.164 ( 0.011)	0.12 ( 0.013)	.	.
Total Groups	.	.	.	.	0.032 ( 0.001)	0.024 ( 0.002)
Introduced in Senate	-0.329 ( 0.081)	-0.239 ( 0.09)	-0.289 ( 0.083)	-0.186 ( 0.092)	-0.275 ( 0.086)	-0.212 ( 0.093)
94th Congress	-0.119 ( 0.153)	-0.114 ( 0.153)	-0.022 ( 0.16)	-0.044 ( 0.157)	-0.181 ( 0.166)	-0.157 ( 0.16)
95th Congress	0.037 ( 0.147)	0.04 ( 0.147)	0.115 ( 0.154)	0.103 ( 0.151)	-0.002 ( 0.16)	0.013 ( 0.154)
96th Congress	-0.272 ( 0.16)	-0.271 ( 0.16)	-0.21 ( 0.167)	-0.226 ( 0.164)	-0.275 ( 0.172)	-0.269 ( 0.167)
97th Congress	-0.437 ( 0.174)	-0.437 ( 0.174)	-0.128 ( 0.173)	-0.159 ( 0.17)	-0.202 ( 0.178)	-0.215 ( 0.173)
98th Congress	-0.353 ( 0.169)	-0.354 ( 0.169)	-0.24 ( 0.177)	-0.257 ( 0.174)	-0.41 ( 0.183)	-0.38 ( 0.177)
99th Congress	-0.338 ( 0.169)	-0.336 ( 0.169)	-0.166 ( 0.173)	-0.183 ( 0.17)	-0.283 ( 0.179)	-0.27 ( 0.174)
100th Congress	-1.293 ( 0.213)	-1.289 ( 0.213)	-1.188 ( 0.218)	-1.197 ( 0.216)	-1.31 ( 0.225)	-1.272 ( 0.219)
101th Congress	-0.705 ( 0.186)	-0.705 ( 0.186)	-0.699 ( 0.194)	-0.683 ( 0.192)	-1.008 ( 0.202)	-0.888 ( 0.196)
102th Congress	-0.618 ( 0.184)	.	-0.627 ( 0.19)	.	-0.829 ( 0.199)	.
103th Congress	-0.379 ( 0.181)	.	-0.28 ( 0.188)	.	-0.461 ( 0.198)	.
104th Congress	-0.888 ( 0.223)	.	-0.857 ( 0.228)	.	-1.266 ( 0.238)	.
105th Congress	-0.904 ( 0.209)	.	-0.92 ( 0.216)	.	-1.175 ( 0.225)	.
106th Congress	-1.457 ( 0.239)	.	-1.293 ( 0.244)	.	-1.398 ( 0.252)	.
107th Congress	-1.195 ( 0.238)	.	-1.161 ( 0.25)	.	-1.222 ( 0.259)	.
108th Congress	-1.653 ( 0.24)	.	-1.635 ( 0.253)	.	-1.771 ( 0.26)	.
109th Congress	-1.553 ( 0.237)	.	-1.469 ( 0.241)	.	-1.674 ( 0.249)	.
110th Congress	.	.	-2.467 ( 0.358)	.	-2.528 ( 0.363)	.
(Intercept)	-1.014 ( 0.109)	-1.052 ( 0.11)	-1.438 ( 0.119)	-1.333 ( 0.12)	-2.224 ( 0.132)	-1.906 ( 0.133)
N	6093	3669	6254	3545	6369	3626
<i>Deviance</i>	5221.055	3579.575	5017.33	3472.725	4691.772	3376.465
$-2LLR(Model\chi^2)$	219.306	79.03	519.582	151.392	905.293	301.262
<i>AIC</i>	5259.055	3601.575	5057.33	3494.725	4731.772	3398.465

## CHAPTER V

### Conclusion

In this dissertation I set out to address three puzzling empirical regularities associated with the conference procedure in the United States congress. First, I wanted explain why conference committees routinely produce outcomes that do not represent compromise versions of the bills initially passed by the House and Senate. Second, I wished to provide a logic by which it would be rational for median members of the House and Senate to defer agenda setting power to outlying legislators serving on conference committees. Finally, I desired to explain why some bills end up in conference while other bills do not.

In Chapter II, I address the first of these puzzles. I established that the bill produced by conference committees negotiations most frequently falls outside of the bills initially passed by the House and Senate. I showed that majoritarian theories would lead us to expect that the median members of the House and Senate should dictate conference outcomes; however, this explanation proved insufficient for explaining the variance I observe in conference outcomes. On the other hand, the data supported my alternative explanation that conference outcomes are dictated by the delegations sent to the conference committee by House and Senate.

In Chapter III, I provide a model of conferee selection, and show that it is rational for legislators, even median legislators, to defer to outlying colleagues on the confer-

ence committee. Building on results first proved by Groseclose and Snyder (1996) and then expanded up by Deirmeier and Myerson (1999), I show that it is rational for median members of the House and Senate to prefer that outliers make policy proposals even in majoritarian environments. I extend the model to consider how legislators will use agenda setting power, or more accurately, to name an agenda setter, to induce a more favorable transfer of political benefits from interests to legislators.

In Chapter IV, I explain why some bills go to conference while others do not. My explanation relies on the same assumptions laid out in Chapter III, but I expand the model to include the legislators' strategy to extend the legislative process to included additional rounds of bargaining and voting. I show that legislators use these additional rounds of bargaining and voting to extract political benefits. I show that conferences are more likely when political benefits are available.

The central lesson of this dissertation is that it is not enough to understand legislators' policy goals. Preferences over policy are critical to my explanation of the use and impact of conference committees, but an account that relies solely on legislators policy preferences is at best incomplete and at worst totally misleading. To understand the types of bills conferences produce, which legislators will end up on a conference committee, why the House and Senate call for conferences in the first place, and a host of other legislative behaviors, we must also consider the political incentives legislators face.

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