

**Budget Incrementalism:
Small Aggregation, Big Changes**

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In examining the budget, both substantive budgeting literature and the policy punctuations literature has focused on the incremental nature of budgeting. One key component of the definition of incrementalism is that most year-to-year changes in funding will be small. However, what constitutes “small” is largely left unspecified in the literature. Similarly, both theories also predict that when a change occurs, it tends to be a large change, but fail to quantify “large”.

By using a unique budgetary database that allows us to look at the budget at various levels of aggregation, we examine whether the budget appears ‘incremental’ using current definitions and assess whether the budgetary changes are in fact ‘small.’ We find that a surprisingly small proportion of the changes are actually small by any logical standard. Most years, more than sixty percent of the budgetary changes are greater than five percent and nearly half are greater than ten percent. This calls into question the characterization of the budget as incremental. However, like others we find that the variation in the budget and the proportion of the budget made up of large changes has decreased over time.

Our analysis also highlights the role of the level of aggregation in the consideration of budgeting. The choice of aggregation levels matters if programs face internal trade-offs. For instance, if the components of a budgetary subfunction face one large budgetary cut and one large budgetary increase, looking at the subfunction level will suggest roughly no change in the subfunction’s budget, even if there were significant changes in the distribution of spending. Typically, higher levels of aggregation have been

used because of data constraints. We find that the level of aggregation is important for understanding whether the budget is incremental and, in particular, for understanding changes in incrementalism over time and the role of institutional variables. The more disaggregated level exhibits even less evidence of incrementalism than the more aggregated level typically used. We find that macro level political variables such as divided government predict incrementalism at the more aggregated levels, but not at the disaggregated level, suggesting that budgetary politics occurs at two different levels. Combined, our findings highlight the complexities involved with understanding the budgetary process and the critical importance of specifying carefully the concepts under consideration.

Incrementalism Reviewed

The concept of incrementalism in policymaking begins with the work of Dahl and Lindblom (1953). The incremental method as a means to weigh risk, they argue, can produce both large and small increments. Using this framework, however, incrementalism has typically come to reference small changes as well as a limited set of policy alternatives. Since this early work, nearly all empirical analyses of budgetary incrementalism have focused on the first aspect of incrementalism, the smallness of the change. Although not explicitly mentioned by Dahl and Lindblom, later scholars have argued that small changes to the budget represent ‘incrementalism’ (Fenno 1966; Wildavsky 1974). While theoretically the emphasis has been on ‘small’ changes, many scholars have been rather expansive in their own empirical specifications of what constitutes ‘small’ and, thus, what would be predicted by an incremental model.

Throughout the literature, many definitions of incrementalism have been proposed, ranging from focuses on process (Lindblom 1953; Bendor 1995; Patashnik 1999) to outcomes discussion (see Tucker 1982 and Berry 1990 for overviews). Most empirical analyses, however, have ultimately measured incrementalism via outcomes. Although some research finds that other factors, such as partisanship, matter in addition to incrementalism or that the support for incrementalism is somewhat conditional, overall support for incrementalism in budgeting has been found in the Congressional budgeting process (Bailey and O'Connor 1975; Bozeman and Straussman 1982; Cowart, Hansen, and Brofoss 1975; Davis, Dempster, and Wildavsky 1966; Dempster and Wildavsky 1979; Fenno 1966; Gist 1982; Jones, True, and Baumgartner 1997; Kamlet and Mowery 1980; Kamlet and Mowery 1987; Kemp 1982; Lowery, Bookheimer, and Malachowski 1985; Natchez and Bupp 1973; Wildavsky 1974), in state legislature budgeting (Sharkansky 1968), in international governmental organizations (Hoole, Job, and Tucker 1976), and in educational spending within Texas (Robinson et al. 2007). Despite the strong support for incrementalism and relatively consistent definitions of the base (the previous year's level of spending), definitions and restrictions on the size of the change to qualify as incremental have varied across analyses. Additionally, no scholars provide a definitive answer of what proportion of changes must be incremental in order for the budgetary process to be considered incremental, thus making incrementalism a difficult hypothesis to reject.

Fenno (1966, 352) argues that a five percent cut is meaningful and can weaken an agency but uses five percent, ten percent, and even twenty percent as definitions of 'small.' He finds that at the bureau level, a majority of the appropriations committees'

decisions involve no more than a ten percent change over the previous year's appropriation (Fenno 1966, 355). Similarly, Wildavsky argues that, "At any one time, after past polices are paid for, a rather small percentage – seldom larger than 30 percent, often smaller than 5 – is within the realm of anybody's (including Congressional and Budget Bureau) discretion as a practical matter" (Wildavsky 1974, 14). Some scholars are more specific. For instance, Kemp argues, "For incrementalism to be supported, increments... should fall within the +/- 10 percent range. Increments that are higher or lower than this range should occur so infrequently that they are highly probable given that the incremental model is true using the conventional standard of a probability value no greater than 0.05" (Kemp 1982, 646-7).

Although some scholars have put limits on the number of large changes relative to small changes, this restriction is rare. In a line of work similar to our own, Bailey and O'Connor (1975) criticize the large changes considered under 'incremental' definitions and re-assess the distribution of annual percent changes in the Fenno/Wildavsky data, federal expenditures from 1961-71, Columbia's central government expenditures, and Virginia state expenditures. Using all non-inflation adjusted values; Bailey and O'Connor consider only changes of 0-10% as incremental. They find that a substantial portion of the federal expenditures is incremental but one-third of the changes are intermediate and the number of large changes is not insignificant.

One possibility is that the focus on the size of the increment has not been the most appropriate way to measure incrementalism. A number of early scholars in this area of research argued that the focus ought to be on process rather than outcome. For instance, Davis, Dempster, and Wildavsky argued that policy makers use the incremental method

and their actions result in “aggregate decisions similar to those produced by a set of simple decision rules that are linear and temporally stable” (Davis, Dempster, and Wildavsky 1966, 529). Similarly, Dempster and Wildavsky respond to the critique of Bailey and O’Connor (1975) by stating that:

If you are interested in budgetary problem-solving, incrementalism as a *method* of calculation is the focus of interest. If you want to know whether an incremental method is actually being used, then it is the regularity of the increments or subtractions from past practice that is important. For predicting agency appropriations the focus will be on the budgetary process (Dempster and Wildavsky 1979, 371).

Nonetheless, they come back to the size of the increment by noting that although changes greater than 50% are clearly not incremental, the exact cut-off below that value for what is ‘incremental’ is unclear (Dempster and Wildavsky 1979, 373). Finally, in response to critiques (which we make as well) about the level of aggregation (Natchez and Bupp 1973)¹, Dempster and Wildavsky defend the use of the agency as the appropriate level of analysis by arguing that there is an ‘agency effect’ (Dempster and Wildavsky 1979, 389). They are less clear on what this ‘agency effect’ is, except to say that lower levels of aggregation show organizational effects, whereas the agency level shows incrementalism. Nonetheless, we do not find it a compelling argument and suggest that the level of analysis at which policy is made in Congress – the subaccount level- is the most accurate approach to judge the merits of incrementalism.

Alternative explanations for budgetary policy making also include the size and frequency of changes as a key component. For example, the punctuated equilibrium

¹ Natchez and Bupp (1973) argue that the first step in being able to understand the priorities of government how these change over time is to look at the program, rather than the agency, level. Whereas agencies are stable, programs have histories of support and opposition (Natchez and Bupp 1973, 955). “National priorities are not set by administrators with national constituencies; they are set at the operating levels of federal bureaus – by program directors sensitive to their own clientele” (Natchez and Bupp 1973, 963). As a result, they argue that Davis, Dempster, and Wildavsky’s “stochastic models perpetuate a fundamental error about the way government operates” (Natchez and Bupp 1973, 963).

theory of Baumgartner and Jones (1993) incorporates both incremental and non-incremental changes, where the latter are possible but rare. Although this theory is equally difficult to disprove since only frequent large changes or the absence of large changes can refute the theory, scholars have assessed the distribution of changes relative to the normal distribution for evidence to discriminate between the two theories. For instance, True, Jones, and Baumgartner (1999) suggest that the leptokurtic distribution would be evidence of a punctuated equilibrium process. Robinson et al. (2007) apply this framework to educational spending in Texas, arguing that a punctuated process would result in a high number of small changes, a small number of medium changes and a moderate number of large changes. In contrast, an incremental process would result in predominantly small changes, with few medium or large changes. They determine the cut-points for small, medium and large by overlaying a normal distribution and looking at the intersections. With small defined as changes between -2% and +10%, Robinson et al. find that 60% of changes are small, 37% are medium, and less than 2% are large. Thus, they conclude that incrementalism rather than a punctuated process is at work.

While our work does not dispute the importance of any of these studies, we focus on two limitations that have prevented comparison of past analyses, namely inconsistent definitions of what constitutes a small change and inconsistent levels of analysis. Although the smallness of the change is not the key aspect of incrementalism in every analysis, we argue that it is a common component and probably the least common denominator for assessing incrementalism. By assessing the distribution of changes across a number of levels of analysis, we provide a clearer picture of budgetary policy making and whether it is incremental. We find many more large changes than would be

expected under incrementalism. Finally, we examine the explanatory power of divided government in predicting incrementalism across the different levels of analysis, finding that divided government only predicts incrementalism at the most aggregated level.

Data

This paper, in considering different levels of aggregation, uses several budget datasets. The unique contribution to the incrementalism literature of being able to measure change in spending at the subaccount level is made possible by a dataset of appropriations from 1955-2002 that reconstructs the federal budget to make budget categories comparable across time (Cogan 2002). This dataset provides the most disaggregated budget data possible; the subaccount level allows for an unprecedented level of specificity. For example, within the National Forest System program account are subaccounts including Assistance to the States for Tree Planting, Cooperative Range Improvements, and International Forestry. The structure of the dataset also allows for aggregation by program account, bureau, and agency. The data can be adjusted for inflation and include only discretionary spending.

While the budget has been studied before,² researchers have failed to make two crucial adjustments. First, they have failed to take into account supplemental appropriations. This can result in attribution of some spending to those who didn't authorize it and ignoring some spending. Second, they have failed to adjust the fiscal year budget (October to October) to the calendar year Congresses (January to January). Doing so is a key step in using the budget to test political models.

² See, for example, Kiewiet and McCubbins (1985), Kiewiet and Krehbiel (2001), Aldrich, Gomez and Merolla (2006) among many others.

Figure 2 illustrates the importance of these two innovations. First, unlike previous analyses by regular appropriations bills, this dataset accounts for supplemental spending. Wlezien (1993; 1996) showed that appropriators systematically underappropriate in regular appropriations bill knowing that the President can then request more spending in the supplemental appropriations bill. For example, under the Balanced Budget and Emergency Deficit Control Act of 1985 emergency spending did not count toward the budget caps. Appropriators learned to place spending for such accounts as the Federal Emergency Management Agency disaster relief in supplemental rather than regular appropriations bills. Although spending for disaster relief in total did not change much, an analysis of regular bills would show a decrease in spending.

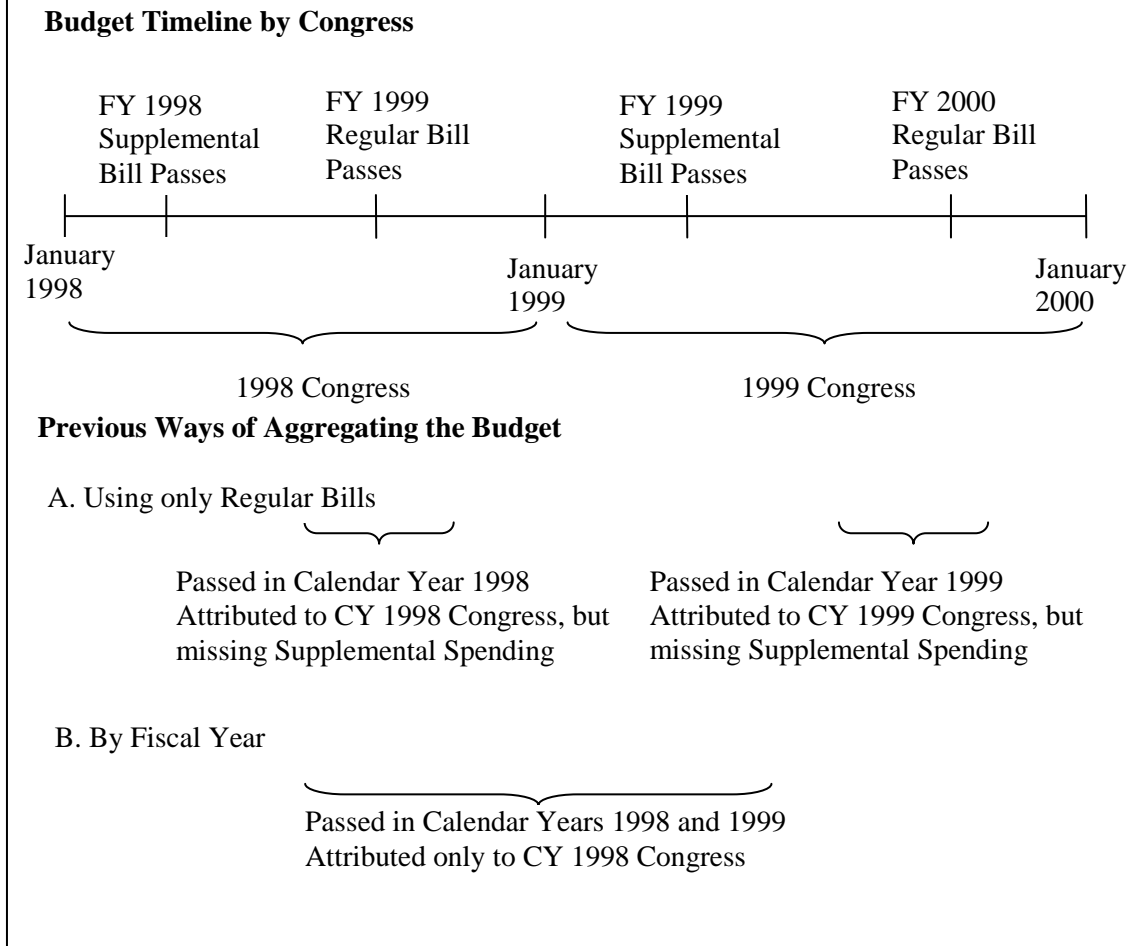
Looking at Figure 1 below, we see that if the appropriators used this practice with the FY1999 budget and if we didn't include spending in supplemental appropriations (as illustrated under A), we would attribute a low level of spending to the 1998 Congress. Previous analyses of the budget have not taken supplemental appropriations into account. Given the games that appropriators play, accounting for the supplementals prevents attribution of low spending to a Congress that subsequently appropriates a large amount in a later supplemental appropriation bill. It is thus crucial that measures of policy outputs include supplemental appropriations, which can only be done by using disaggregated data.³

Second, this dataset allows for consideration of calendar year, rather than fiscal year, appropriations data. Totals by fiscal year, as illustrated in Figure 1, may include funding authorized in two different calendar years by two different Congresses. By taking into account supplemental bills and the dates of passage of the appropriations bills, the

³ See Cogan, Muris, and Schick (1994) for a discussion of the importance of the study of microbudgeting.

dataset ensures that only spending authorized in a given calendar year is attributed to that session of Congress. Figure 1 shows that taking the total by fiscal year, as every other analysis has, would attribute spending for the FY1999 Supplemental bill to the 1998 Congress that didn't vote for the spending. Additionally, it would *not* attribute the FY1998 Supplemental spending to the 1998 Congress, which did vote on that spending. When using political variables that are only available on a calendar year basis, this dataset ensures that measurement of the location of policy matches up with the timing of the measurement of changes in the positions of the pivotal players. These two adjustments are key when using the budget as a measure of policy and have generally been ignored by previous researchers.

Figure 1: Ways of Studying the Budget



In order to compare our results with those of other researchers, we also use the dataset of the budget collected by True (2007) as part of the Policy Agendas Project website.⁴ This dataset aggregates budget data into 46 discretionary budget subfunctions (OMB classifications). These data do include supplemental appropriations, and spending is reported by fiscal year, rather calendar year.

Size of Change

⁴ This dataset is available at the Policy Agendas Project website.

First, consider spending aggregated by agency (following Dempster and Wildavsky 1979) and by subfunction (following Jones, True, and Baumgartner 1997). These data are quite aggregated; there are 30 agencies and 46 subfunctions, compared to 1539 subaccounts.⁵ Table 1 shows the percentage of changes in each category. Positive and negative changes are treated symmetrically. For example, the 0-1% category encompasses changes from -1% to 1%. Approximately 7% to 9% of the changes fall into the 0-1% change category. If legislators simply adjusted each agency or subfunction for inflation, we would expect most of the changes to be in this category, since these data are already adjusted for inflation.

A more permissive definition of small changes, changes less than 10%, which is commonly mentioned in the literature, includes just 50 to 60 percent of the changes. This leaves almost half of the changes in the “big” category; forty percent of the agencies have their budgets adjusted by more than 10%. Moreover, approximately 4% of the agencies and subfunctions are doubled or zeroed out. Furthermore, the median size of a change in agency funding is 7.4%, hardly small. Such a large amount of change contradicts both the outcomes and the process definition of incrementalism. Clearly, these are large changes in outcome (dollars). But these findings also suggest a process that considers large (greater than 10%) changes for nearly one in every 2 agencies, hardly a limited set of policy alternatives.

There is even less evidence of incrementalism at the disaggregated level. Changes in spending at the subaccount level can be masked when the changes are added up to

⁵ The differences in number of total observations are not as great as this indicates, since the lower levels of aggregation entail more missing data. At the subaccount level, nothing is appropriated to almost 75% of the subaccount-years. This is because the subaccounts are much more detailed and thus come into and out of being more frequently. The total numbers of observations are included in the final column of Table 1.

yield spending by agency or subfunction. Thus, the more aggregated numbers do not capture tradeoffs among subaccounts within the agency or subfunction. As Berry (1990) notes, the appropriate level of aggregation depends on the assumptions being made. In this case, we simply assume that the level at which decisions are reported in appropriations bills is the level at which they are made, suggesting that subaccounts are the most appropriate level of analysis. Many previous analyses have made this same argument, but been limited by data availability, which we resolve with the new database of the budget.

When changes are analyzed by subaccount, even fewer of the changes are small. Just over fifty percent of the changes fall under the 10% cutoff for “small” commonly mentioned by researchers. Strikingly, nearly 13% of changes fall in the 50-100% range compared with 6% or 7% using higher levels of aggregation. Similarly, nearly 6% of the changes are greater than 100% at the subaccount level, compared with approximately 4% at the subfunction or agency level. There are more large changes when spending is disaggregated. Additionally, the median size of a change at the subaccount level (9.2%) is greater than the median size of the change at the agency and subfunction levels. Thus, there are even more large changes when the data is in its most disaggregated form. This disaggregated data suggests that incrementalism, at least in its most basic form of a predominance of small changes, is not a good description of the federal budget.⁶

To assess the findings in the literature that incrementalism has been increasing over time, the last two rows of Table 1 split the data at the midpoint of the time period. There are more large changes in the early period and more small changes in the later period, suggesting that incrementalism has been increasing over this time period,

⁶ Similar patterns hold when using current dollars and when adjusting for the inception of programs.

although even the later time period fails to provide strong evidence of incrementalism, since 16.6% of the changes are greater than fifty percent.

Table 1: Percentage of inflation-adjusted changes that fall in each category (Domestic Discretionary Spending): 1955 to 2002 (unless otherwise noted)

	0 - 1 %	1.1 - 5 %	5.1 - 10 %	0 - 10 %	10.1 - 20 %	20.1 - 30 %	30.1 - 40 %	40.1 - 50 %	50.1 - 100 %	101 +	Total # of Obs
NSA	6.6	27.9	17.8	52.3	15.6	6.8	4.2	2.8	12.6	5.8	18244
Agency	9.1	28.2	22.7	60	17.5	7.2	3.1	2.2	5.9	4.1	1065
Function/ Sub- function 1955-2002	7.0	27.5	20.6	55.1	20.0	7.5	4.1	2.7	6.9	3.7	1734
1955-1979, by NSA	5.9	21.8	18.4	46.1	17.3	7.5	4.4	3.1	14.2	7.4	6586
1980-2002, by NSA	7.0	31.3	17.4	55.7	14.6	6.3	4.1	2.6	11.7	4.9	11658

Examining the data graphically also illustrates the problem in depicting the budget as incremental. When we plot the proportion of changes that are less than 10 percent as well as the proportion of changes that are greater than 100 percent, we see that although approximately half the changes are under 10 percent, between ten and twenty percent are greater than 100% (see Figure 2). An argument might be made that we are biasing our findings against incrementalism by using inflation adjusted (or constant dollar) amounts in our percentage changes. Perhaps one cause of incrementalism is a preponderance of small changes that result from adjusting spending for changes in

inflation. However, using current dollar amounts in our analysis yields results even more inconsistent with predictions from the incrementalism model. Although there does appear to be an increase in incrementalism over time, consistent with the works of Jones et al. (1997), the 1960s and early 1970s have a few cases where the proportion of changes less than 10 percent is nearly equal to the proportion of changes greater than 100 percent, an outcome clearly not consistent with incrementalism (see Figure 3).

Up until this point, our analysis has ignored the creation of accounts. Each yearly entry for a subaccount is 'NA' until creation and therefore, the percentage change for the first year of creation is undefined and omitted. Adjusting for the inception of accounts by making spending in a subaccount the year before inception equal to \$1000 allows us to account for the creation of accounts in our analysis. The creation of an account is clearly a non-incremental action. It is both the creation of a new category of spending (a policy change) and an increase in spending. As a result of the omission of the inception of programs, the prior results have actually been biased toward finding incrementalism. Not surprisingly, accounting for the inception of programs we find even less support for incrementalism (see Figure 4, which is also adjusted for inflation).⁷ Although we observe an increase in incrementalism over time, none of the specifications depicts incrementalism (by any reasonable definition) in the first half of the series since the proportion of changes that are greater than 100 percent are at times on par with the proportion of changes that are less than 10 percent.

Figure 2

⁷ Results are similar when current dollars are used.

NSA Distribution of Percentage Changes, Constant Dollars

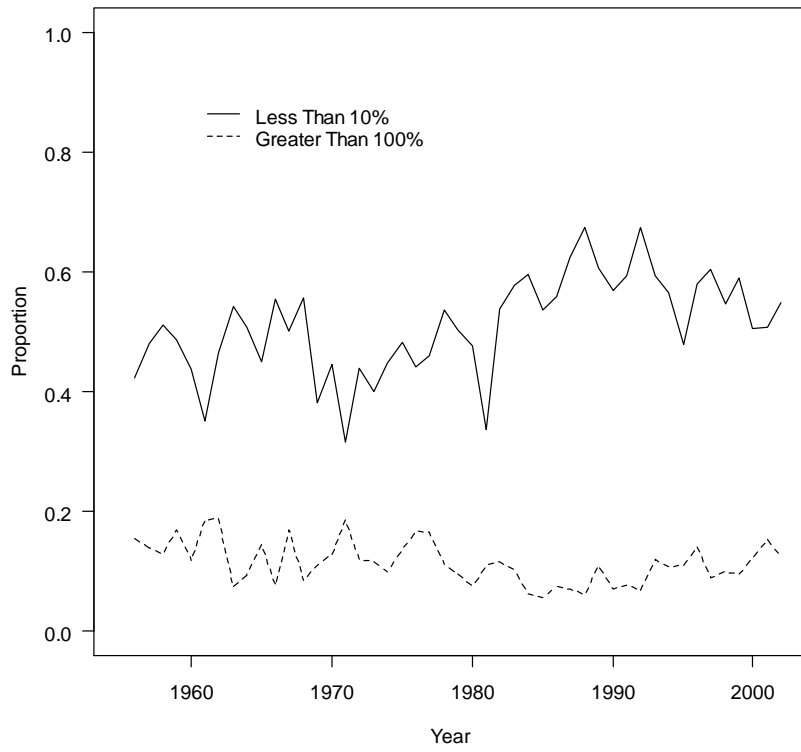


Figure 3

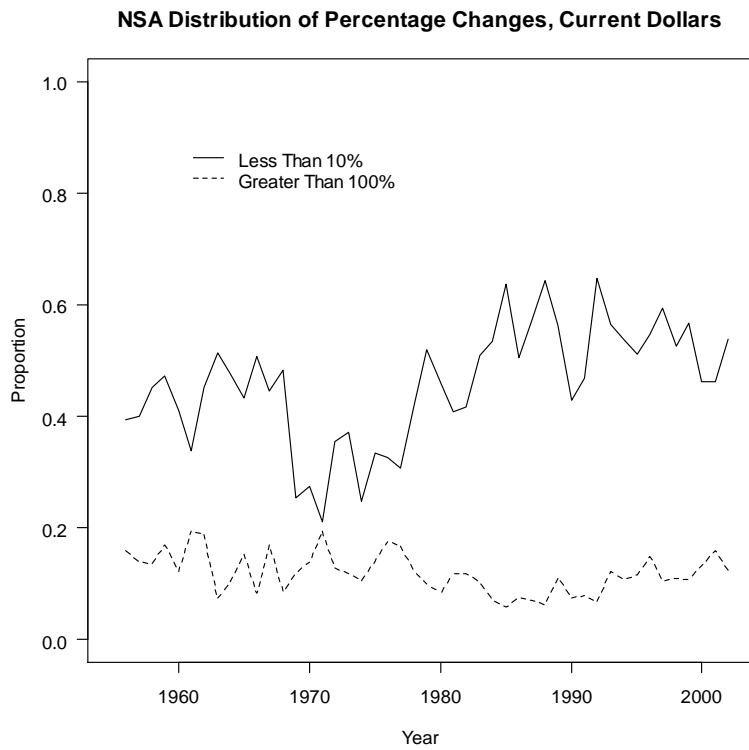
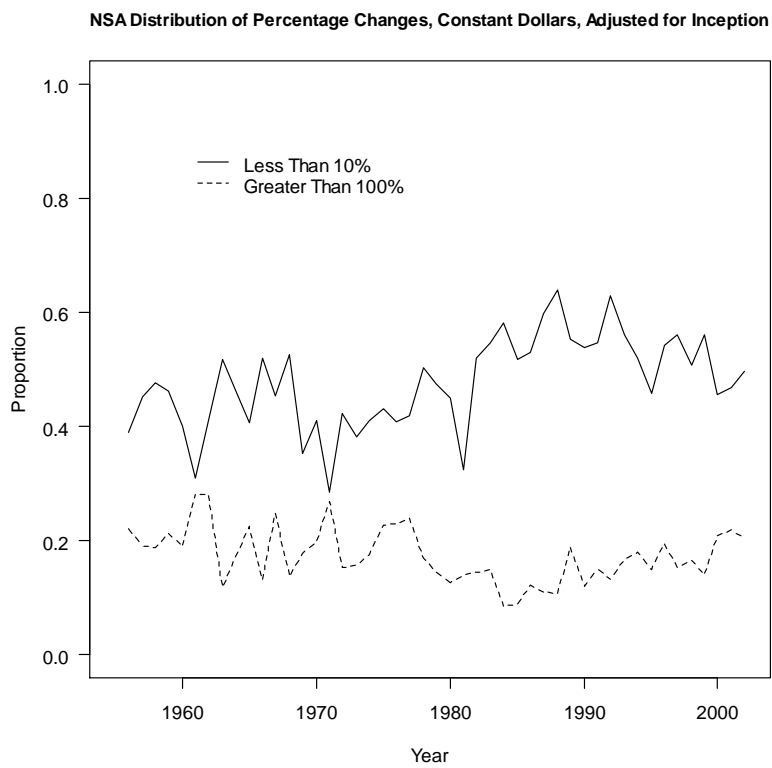


Figure 4



Politics and the Level of Aggregation

The importance of the level of analysis is even more apparent when we replicate the full analysis of Jones et al. (1997) and assess whether divided government leads to increased gridlock or increased volatility. Although we are not convinced that the intersextile range is the most accurate way to measure volatility of the budget, we nonetheless use this measure to show that the level of analysis matters when studying the budget.⁸ Regressing the log of intersextile range on time and an indicator for divided government produces results that indicate that the level of analysis is very important (see Table 2). At the subaccount (NSA) level of aggregation, divided government is not a significant predictor of the intersextile range. When we account for the inception of accounts (noted by (1) for NSA), the direction of the point estimate changes, although it remains insignificant. At the agency level of aggregation, divided government is also insignificant. Using the True et al. dataset of budget subfunctions, focusing only on the 1955-2002 period for which we also have data, and using lagged values of divided government to account for the fact that the data is in fiscal years, we find results comparable to those in Jones et al. (1997), that divided government has a positive and significant effect. The results are nearly identical when we use the original time period of the Jones et al. work, FY 1948-1995. Additionally, the magnitude of the coefficient is much higher using the subfunction level than in either the analysis at the subaccount or

⁸ Jones et al. (1997) use the intersextile range as a measure of volatility in the budget. The use of the measure in this way, however, presupposes the existence of incrementalism. That is, if you assume that the budget is made up primarily of very small changes, a large intersextile range does indicate an increase in the number of large changes. A small intersextile range, however, does not imply that there is little volatility in the budget because if all accounts/agencies/subfunctions changed by 100%, then the intersextile range would be zero. Furthermore, one could argue that if greater disagreement over policy leads to more volatility in spending, that this should hold across all accounts/agencies/subfunctions and therefore the intersextile range should be small. A more accurate description of what the intersextile range measures is whether the distribution of changes is equal across accounts.

agency level. In sum, these results reinforce our findings that the level of aggregation matters when dealing with the federal budget.

Table 2: Log of Intersextile Range, 1955-2002 ((Domestic Discretionary Spending, Constant Dollars)

	CY NSA	CY NSA(1)	CY Agency	FY JTB 1955-2002	FY JTB 1948-1995
<i>Intercept</i>	4.08 ^{***} (0.0976)	4.87 ^{***} (0.182)	3.98 ^{***} (0.176)	3.94 ^{***} (0.139)	4.24 ^{***} (0.135)
<i>Time Trend</i>	-0.013 ^{***} (0.00324)	-0.019 ^{**} (0.00603)	-0.0327 ^{***} (0.00585)	-0.0298 ^{***} (0.00449)	-0.0329 ^{***} (0.00466)
<i>Divided Government</i>	0.0674 (0.096)	-0.123 (0.179)	0.122 (0.173)	—	—
<i>Divided Government (FY-1)</i>	—	—	—	0.343 [*] (0.133)	0.299 [*] (0.131)
<i>N</i>	47	47	47	47	48
<i>R²</i>	0.271	0.228	0.425	0.504	0.527
<i>Adjusted R²</i>	0.238	0.193	0.399	0.481	0.506

Standard errors in parentheses.

[^] $p < 0.1$, $p < 0.05$, $p < 0.01$, $p < 0.001$.

There are two main differences between our subaccount data and the Jones et al. subfunction data – the level of analysis and the choice of current year versus fiscal year. Although the results presented above suggest that the level of analysis is important in discussions of the budget both as incremental as well as in understanding what role political factors play in policy change, we are also working on coding the Cogan dataset of subaccounts into subfunctions. To rule out that our findings are driven by differences that stem from current year versus fiscal year calculations, we analyzed the Cogan data by fiscal year for both the subaccount and agency levels of aggregation. The results on domestic discretionary spending, presented in Table 1 of the Appendix, are nearly identical to our results in Table 2 (above). For both subaccount and agency, the use of current year (CY) or fiscal year (FY) does not change the bottom line that divided government is not a significant predictor of policy change, as characterized by the intersextile range. In contrast, divided government has a positive and consistently significant effect in all specifications using the Jones et al. data at the subfunction level (see Appendix Table 1 and Table 2).

Conclusions

In sum, we find that the level of analysis matters not only for assessing whether incrementalism aptly characterizes budgetary changes but also for what conclusions can be drawn about the influence of macro-level political variables on the budget. Incrementalism is a less persuasive argument at lower levels of aggregation, the level at which Congress makes budget decisions, whereas political variables are more influential at higher levels of aggregation. How do we reconcile these two, possibly contradictory findings, especially since Wildavsky and others argued that political variables should

matter little in an incremental process? One possibility is that Dempster and Wildavsky (1979) were correct that there is an ‘agency effect’ but wrong in their understanding of how it works. Perhaps Congress reports its decisions at the subaccount level, but purposefully focuses on minimizing change at the agency (or subfunction, based on our findings) level. That is, what appears as incrementalism is actually the result of thoughtful planning about averaging out positive and negative changes in smaller accounts and not the result of an incremental process whereby policymakers weigh the risks of large changes and opt in favor of small changes. Political variables, such as divided government, polarization, or public mood, then may interfere with the commitments to stable spending at the agency/subfunction level despite the fact that they do not affect overall change at the subaccount level.

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Appendix

Table A1: Log of Intersextile Range, 1955-2002 (Domestic Discretionary Spending, Constant Dollars)

	CY NSA	CY NSA(1)	CY Agency	FY NSA	FY Agency
<i>Intercept</i>	4.08 ^{***} (0.0976)	4.87 ^{***} (0.182)	3.98 ^{***} (0.176)	3.97 ^{***} (0.104)	3.78 ^{***} (0.17)
<i>Time Trend</i>	-0.013 ^{***} (0.00324)	-0.019 ^{**} (0.00603)	-0.0327 ^{***} (0.00585)	-0.0121 ^{***} (0.00337)	-0.0286 ^{***} (0.00548)
<i>Divided Government</i>	0.0674 (0.096)	-0.123 (0.179)	0.122 (0.173)	—	—
<i>Divided Government (FY-1)</i>	—	—	—	0.079 (0.0998)	0.211 (0.162)
<i>N</i>	47	47	47	47	47
<i>R²</i>	0.271	0.228	0.425	0.229	0.383
<i>Adjusted R²</i>	0.238	0.193	0.399	0.194	0.354

Standard errors in parentheses.

[^] $p < 0.1$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$.

**Table A2: Log of Intersextile Range, Jones et al. (1996) Replication
(Domestic Discretionary Spending, Constant Dollars, FY)**

	FY BJT 1955-2002	FY BJT 1948-1995	FY BJT 1948-1995 (Original)
<i>Intercept</i>	3.94 ^{***} (0.139)	4.24 ^{***} (0.135)	4.12 ^{***} (0.102)
<i>Time Trend</i>	-0.0298 ^{***} (0.00449)	-0.0329 ^{***} (0.00466)	-0.0302 ^{***} (0.0035)
<i>Divided Government (FY-1)</i>	0.343 [*] (0.133)	0.299 [*] (0.131)	0.219 [*] (0.0984)
<i>N</i>	47	48	48
<i>R²</i>	0.504	0.527	0.623
<i>Adjusted R²</i>	0.481	0.506	0.606

Standard errors in parentheses.

[^] $p < 0.1$, ^{*} $p < 0.05$, ^{**} $p < 0.01$, ^{***} $p < 0.001$.