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Introduction

> On the other hand, if the money is being spent as it needs to be spent—to rebuild our roads and our bridges and our schools, and making sure that we are putting in place the kinds of infrastructure foundations that are necessary for economic growth over the long term—then I think all of us will benefit and our voters and our constituents, the people we work for, are going to be extraordinarily grateful.
>
> —Barack Obama, March 12, 2009[1]

> Many administrations have sought to maximize their control of the machinery of government for political gain, dispatching Cabinet secretaries bearing government largess to battleground states in the days before elections. But [Karl] Rove . . . pursued the goal far more systematically than his predecessors . . . enlisting political appointees at every level of government in a permanent campaign.
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> —*Washington Post,* August 19, 2007[2]

In late 2008 and early 2009, the United States rapidly entered a profound economic recession. In concert with Congress, the Bush and Obama administrations crafted legislation intended to stem economic losses and restart the economy on a path toward growth, employment, and stability. That legislation, which became the American Recovery and Reinvestment Act of 2009, was signed into law on February 19, 2009.[3] The White House stated that the act was "a nationwide effort to create jobs, jumpstart growth and transform our economy to compete in the 21st century"[4] and that it would

1. Obama (2009c).
2. Solomon, MacGillis, and Cohen (2007).
3. P.L. 111-5.
4. Obama (2009a).

"provide immediate tax relief to families and businesses, while investing in priorities like health care, education, energy, and infrastructure."[5]

The Recovery Act (or ARRA) ultimately provided $282 billion in tax relief, $274 billion in discretionary funding through grants and contracts, and $284 billion in entitlement program funding.[6] Although the legislation attempted to serve a universal goal—to rehabilitate the flailing economy—the means by which the Obama administration sought to achieve that goal was controversial. During negotiations on the bill and even after its passage, criticism percolated within the two parties and branches of government as well as in the media. Concerns over the structure and content of the bill included issues such as the role of politics in the economic recovery and the exercise and expansion of executive power in policymaking.

As the quote from President Obama at the start of this chapter illustrates, one goal of the Recovery Act was to improve economic growth. However, the president went on to explain that he sought benefits of his own from the legislation—benefits from the people who elected him. In describing the Recovery Act, he notes in explicitly electoral terms, "our voters, our constituents, the people we work for, are going to be extraordinarily grateful." The president is clear that he sees the Recovery Act as a means of connecting with "our voters"—a shared concern and experience of legislators and presidents alike. He wants "good public policy" that will stabilize the economy, create jobs, and invest in the future. However, any discussion of satisfying "voters" and "constituents" alludes to a shift away from policy interests and toward the electoral dynamics of legislation. The Recovery Act provided a way to make voters happy, and happy voters reelect the party in power.

President Obama was not alone in recognizing that the Recovery Act was an opportunity for the White House to claim credit. Vice President Joe Biden remarked of the law, "We've sent money out to renovate a school in a particular city, in a particular state—it will be up there [on the recovery.gov website]. All the press will see it on the website. The neighbors and the community will see it."[7] The Recovery Act was a multipronged tool. It was enacted to save the economy from a deepening recession, and it served to make sure that the president's constituents gave him credit for delivering money to their areas.

This book unites two fundamental tenets in the study of American government: that presidents are powerful players in domestic policy affairs and that

5. Obama (2009b).
6. "The Recovery Act" (www.recovery.gov/About/Pages/The_Act.aspx).
7. Biden (2009).

elected officials are motivated by elections. Neither tenet is especially controversial in itself. Scholars, members of the media, and ordinary citizens view such claims as a description of standard attributes of the U.S. political system.

However, rarely are the two ideas combined to inform research on the U.S. presidency. The research presented in this book does exactly that. Central to the argument is a single, simple claim: presidents engage in pork barrel politics. That is, presidents manipulate the distribution of federal funds to advance their electoral interests. Presidents, like their counterparts in Congress, are election-driven individuals. Yet, unlike individual legislators, presidents and their appointees have discretionary authority over the distribution of hundreds of billions of federal dollars each year. Presidents therefore have both the motive and means to politicize spending for electoral purposes. This perspective offers critical insights into presidential behavior and power.

To explore these ideas, this book asks two central questions. First, do presidents engage in pork barrel politics? While presidents may have the motive and means, it is essential to determine—rather than assume—that they do. Second, if presidents do engage in such behavior, how exactly do they do it? The U.S. government is extensive, and annual spending decisions number in the millions. What tools, techniques, and mechanisms do presidents employ to make federal spending responsive to their electoral goals?

Directing federal funds to key constituencies is a traditional legislative practice long relied on to advance electoral interests. Legislators direct funds—often in the form of congressional earmarks—back home in order to "claim credit" with their voters.[8] However, the phrase "presidential earmarks," less commonly heard than its congressional counterpart, illustrates the executive branch's desire to use spending in politically and electorally expedient ways. The president's electorally strategic distribution of funds, though often underreported, is not invisible. A 2006 *Wall Street Journal* article declares, "Presidents like pork, too." It proceeds to explain that "the president's earmarks are harder—if not impossible—to tally" and that "once federal agencies get funding from Congress, [the president's] appointees are fairly free to steer sums to places, programs and vendors as the administration decides."[9]

This book challenges the common claims that spending power and the drive for electoral success are predominantly congressional phenomena. In fact, this book argues that more than any representatives or senators,

8. In his 1974 book *Congress: The Electoral Connection*, David Mayhew notes that credit claiming—demonstrating one's value to constituents by taking credit for good deeds—is a critical electoral tool for members of Congress.

9. Calmes (2006).

presidents engage in pork barrel politics in a comprehensive and systematic way. Through its state-centered, winner-take-all design, the Electoral College creates incentives that make federal spending an appealing campaign tool for the executive branch. In order to implement such an electoral strategy, presidents must extract discretionary spending power from Congress and structure the executive branch to be responsive to their interests. The following chapters focus on one type of discretionary spending, the federal grant, first to show that presidents do engage in pork barrel politics and second to show precisely how they do it.

Presidential Pork: Why Does It Matter?

Studying presidential pork—and federal spending in general—helps answer what Harold Lasswell called a fundamental question of politics: *Who gets what, when, and how*?[10] This question concerns not just academics or politicians but also citizens, who have two basic requests of their government: one for their share of government goods and services and the other for accountability regarding the distribution of the remainder. The study of presidential influence over fund distribution helps citizens understand whether they and their communities are receiving sufficient or insufficient streams of government revenue.

A republican government provides for an electorate that is well informed with regard to the behavior of its representatives. One key function of the U.S. government involves spending—which, because citizens have come to rely on the government for a host of public goods and services, has grown dramatically. Knowledge about government spending allows citizens to judge the performance of officials and the appropriateness of their decisions. In fact, when citizens are dissatisfied with the functioning of government (in terms of spending or any other administrative actions), a thorough understanding of the process provides the foundation for reforming the system. Reforms both address perceived problems and provide solutions that are consistent with citizen demands and expectations.

Moreover, as federal budgets grow into the trillions of dollars—a consequence of increased citizen demands—the government accounts for a nontrivial portion of economic activity in the United States. The U.S. government also plays a profound economic role abroad. Information regarding the processes that govern and ultimately determine economic activity is critical

10. Laswell (1936).

for all economic actors and markets in general. Increased information and transparency allow consumers and producers to develop clearer expectations and improve decisionmaking.

Finally, spending is not simply a matter of dollars and cents. It is policy. As funds are transferred, policy is created, molded, and implemented. Spending affects access to and quality of health care, the performance of the agriculture and manufacturing sectors, advances in scientific research, the effectiveness of education, the safety of consumer products, the construction of highways and buildings, and the enforcement of laws—to name only a few policy areas. Citizens feel the effects of federal spending on a daily basis. The forces, biases, interests, and politics that influence the distribution of government funds have a substantial impact on public policy and American society. Evaluating the existence and extent of presidential pork barrel politics better informs citizens about their relationship to their government.

Presidential Pork: Where Does It Come From?

The common perception is that pork barrel politicking is a strictly congressional practice, undertaken by legislators who are motivated primarily by elections and who, more important, hold the purse strings of government. The media, scholars, and citizens often think of Congress as the only branch of government in charge of federal spending. To be sure, Congress influences a substantial stream of federal funding and claims credit for its distribution. But Congress is not alone in that endeavor. Presidents and their surrogates in federal agencies oversee the allocation of huge portions of federal largesse.

To understand pork barrel politics, it is important to discuss briefly the different types of federal spending and to identify where allocation decisions are made. Some federal spending—such as that for Social Security and Medicare, among other programs—is considered "mandatory." It is essentially automatic spending, whereby Congress does not need to determine funding levels or allocation mechanisms every year. Other types of spending—"nonmandatory"—require annual approval of appropriations.[11] For programs that fall in the latter category, Congress or the president or both have

11. Often this spending is called "discretionary." However, for the purposes of this book, that terminology is likely to be confusing. The focus of the empirical analysis is "discretionary federal grants," which specifically denotes grants over which the executive branch has discretionary authority. In common parlance, discretionary spending is intended to subsume all spending that is not "mandatory" and includes spending over which Congress, rather than the executive branch, asserts greater control. The distinction is an important one.

substantial discretion regarding the level of spending and allocation of funds. It is this type of spending that facilitates pork barrel politics because political actors are able to manipulate the distribution of dollars for electoral gain.

While nonmandatory spending is the source of pork barrel politics, differences exist within this category. Such spending often includes rent on buildings, employee travel costs, employee salaries, and other internal expenses of the bureaucracy, but it also includes money that the government distributes throughout the nation. The use of those funds, often in the form of grants, contracts, loans, and cooperative agreements, is more malleable. They are intended to be sent to recipients throughout the fifty states, and political actors battle for their fair share (as need would demand) or more than their fair share (as politics would encourage) for their constituents.

Who, then, controls nonmandatory spending? That is a fundamental question in the study of political pork and one that this book engages directly in answering. Congress has a strong hold on determining distribution in some areas of spending. Studies by Lee and by Lee and Oppenheimer show that in certain areas, such as formula funding and block grant funding, legislators—particularly senators from small states—are able to bring home substantial sums.[12] Formulas or other distribution schemes often are negotiated in congressional committees and subcommittees, and legislators, particularly those critical to building coalitions, ensure that legislation is laden with local benefits. Presidents play a role in the negotiations, but spending decisions rest largely with Congress.

In other areas—such as contracts and, especially relevant to this book, competitive discretionary grants—presidents and their appointees wield significant power over allocation decisions. Congress appropriates funding for contracts and grants every year, but the power to distribute the funding is transferred to the executive branch for a variety of reasons, including time constraints and lack of expertise. (A broader discussion of delegation can be found in chapter 2.) However, regardless of the reasons, the president, White House staff, political appointees, and federal agency staff all play critical roles in doling out tremendous sums of money each year.

How much do federal grants matter? Federal grants are often viewed as relatively small, discrete allocations of money to help build a school, for example, or to equip a police department or install a sewer system. However, federal grant making involves much more than that. In addition to including almost every area of domestic policy, it involves substantial sums of money.

12. Lee (2000); Lee (2003); Lee and Oppenheimer (1999).

For example, this book examines competitive discretionary grants (hereafter called "discretionary grants" or simply "grants") from 1996 to 2011. These grants (in real dollars) totaled well over $100 billion each year, came from all fifteen cabinet departments and dozens of independent agencies and commissions, and funded projects in all fifty states.

Presidents have myriad means of influencing distribution from this pot of federal grant dollars. They have, for example, an army of hand-selected political appointees serving in almost every agency in the federal government. Those individuals influence the administration of policy and the development of programming (for grants, that includes items like eligibility and evaluation criteria), manage personnel, manage communication within agencies, and help translate the interests of the executive branch's principal—the president—down to millions of agents. Presidents also rely on powerful White House institutions like the Office of Management and Budget, the Office of Presidential Personnel, and the Office of Cabinet Affairs to ensure that policy—especially spending policy—reflects the priorities of the president. What results is a federal grants process that offers presidents and their appointees numerous opportunities to influence the distribution of funds and thereby a variety of outcomes.

Despite the amount of discretionary funding allocated by the executive branch and the number of opportunities that it has to influence the allocation process, it is often overlooked as the public, the media, and academics focus on congressional ribbon cutting and earmarking. This book focuses on discretionary federal funding, examining how presidents exercise their spending authority and who reaps the benefits.

The Analytical Framework

That presidents engage in pork barrel politics—manipulating federal spending for electoral gain—is not a clear-cut claim. There exist alternative explanations of how federal funds are allocated. Those who study the topic and observers of the process often argue that other, nonpresidential forces act on fund distribution, and any rigorous examination of presidential pork must refute or account for alternative theories. The two dominant alternatives concern *congressional control* and *policy need*.

As mentioned above, a basic public expectation of members of Congress is that they deliver federal funds back home. While political scientist David Mayhew was among a group of scholars who wrote about pork barrel politics, research on the topic long predates his classic 1974 study, *Congress: The*

Electoral Connection, and research since then has offered empirical support for the congressional desire for pork. Another force in the distribution of federal funds is local policy need. Programs are designed to provide relief to those in need or to provide a service that is lacking. The literature on political influence on the allocation of government funds does not argue that political interests alone explain allocations. Instead, politics contributes to the distribution of funding, while needy recipients still benefit from federal programming.

An empirical approach to political influence that integrates different funding forces is valid on its face. While the general public and even the media expect some level of political influence on public policy, there is an expectation of balance. The definition of "balance" is, of course, subject to interpretation. However, political scandals emerge when balance is perceived to be upset—improperly tipped in favor of one side or another—and the system ultimately readjusts. In many ways, political influence over funding—whether congressional, presidential, or other—occurs at the margins. As part of that balance, the targeting of funds to key constituencies cannot be seen as egregious—something that might raise eyebrows. Instead, it must be modest in scope, yet meaningful in effect. I do not identify or define balance; instead, I assume that it exists and let its existence guide the analytical framework. Rather than argue that presidential influence is the exclusive determinant of federal spending, I assert that it is a (largely unexplored) part of the story. By assessing (simultaneously or in tandem) presidential control, congressional control, and policy need, the book presents more confident results while controlling for the major moving parts in the federal funding machinery.

Explanations of the forces that drive the distribution of funds often are seen as competing. However, one explanation need not and should not exclude all others. In fact, theoretically, politically, and statutorily, exclusivity is hard to justify. Instead, all forces must be examined as part of the same interconnected process. Competition among Congress, the president, and the states needs to exist. Grant making is a fixed-sum game whereby one dollar allocated for presidential electoral purposes is one dollar less to promote congressional interests or policy need. However, all three forces have a role to play, and this book assesses each empirically. That said, I do not focus on the role of Congress or the role of state-level needs. The title of the book is *Presidential Pork* because at its core, it is about presidential power and how presidential electoral interests and behavior influence spending policy.

This book presents a two-step empirical process to illustrate presidential power over federal spending. After showing that federal discretionary grants are distributed, in part, to advance presidents' electoral interests, I examine precisely how presidents engage in such behavior. After evaluating internal executive branch processes, I transition from demonstrating correlation between presidential interests and fund distribution to offering an explanation of the causes of the relationship.

Outline of the Book

Chapter 2 challenges existing views of presidential interests and behavior by developing the idea of "the election-driven president" who uses the powers of his office, such as spending authority, to advance his electoral interests. The chapter also explains how and why the president's role has been overlooked and notes the theoretical and empirical weaknesses in previous research that failed to account for the presidential role.

Chapter 3 offers the first empirical assessment of whether presidents engage in pork barrel politics. I analyze federal discretionary grant allocations from 1996 to 2008, assessing whether presidents direct funds to key electoral constituencies: the swing states. I find such a bias in the distribution of grants to exist even after controlling for congressional interests and policy need.

In chapter 4 the same data as the previous chapter—grant allocations from 1996 to 2008—are used to examine agency-level allocations. The analysis shows more precisely how the component parts of the bureaucracy aid and abet presidential pork barrel politicking. In addition, by examining differences in structure and personnel across agencies, it allows for identification of the mechanisms of presidential influence and political control over federal spending. Together chapters 3 and 4 provide some of the first robust evidence that presidential electoral motives drive public policy and that presidents, not just legislators, engage in pork barrel politics.

Chapter 5 examines a unique period for federal spending: 2009–11. During that period, the American Recovery and Reinvestment Act was being implemented and stimulus funds were being distributed along with nonstimulus funds, creating an administrative environment that mirrored the historic challenges facing the macro economy. I examine stimulus and nonstimulus grant receipts to illustrate that while presidential electoral interests informed the execution of public policy, those interests induced a unique type of presidential influence and response.

In chapters 6 and 7 I continue to identify the mechanisms by which presidents harness administrative power across a vast bureaucracy to induce agencies to respond to their electoral interests. Chapter 6 uses a survey of federal executives from 2007 to examine which actors wield policy influence, how communication within agencies (the communication environment) is politicized, and how officials dealing with the distribution of federal dollars face unique political pressures. Chapter 7 employs original interviews with individuals directly engaged in the federal grants process to shed light on the extent of presidential influence and the ways in which presidential preferences affect even micro-level policy outcomes.

Finally, chapter 8 offers an overview of the results and implications for presidential power and public policy in the United States. The chapter poses the normative question of whether presidential influence on nonmandatory spending is a problem for the system and evaluates the strengths and weaknesses of possible reforms.