

LOBBYING IN THE BUDGET PROCESS

Overview

Public budgeting is the process by which governments raise and allocate financial resources to achieve their policy objectives. The budgetary process is thus at the very heart of governmental decision-making and heavily influences the resolution of virtually all public policy issues. In the words of one commentator,

"The stakes are high, for the budget process comes to grips with the big questions of politics: who gets how much for what purpose and who pays? The decisions influence the proportion of national resources that go to the public and private sectors; public priorities; the goals and objectives of thousands of programs and projects; and the claims that various groups in society make on the public purse. As a result, the budget is the sum total of the aspirations, values, social and economic policies, and services of government."

Public budgeting in most governmental units involves the preparation, consideration and adoption of an annual budget. But it also involves much more. Throughout the year, chief executives, administrative agencies, and legislative bodies make decisions, promulgate regulations, adopt laws and take numerous other steps which affect both long-term and short-term spending and tax plans.

Because the stakes are so high, the demand for public dollars so great, the claimants on the public purse so many, and the process so continuous, those interested in influencing the outcome of the budget debate must be able to understand the budgetary process in its full historical, economic, political, legal, administrative and social contexts.

This course explores these contexts, details the processes for the allocation of public resources, and describes how to affect these outcomes. In so doing, it examines not only the procedures and participants in the budgetary process but, more importantly, the dynamics -- the "why" as well as the "how" these decisions get made. The goal is to give students more than just an understanding of public budgeting. It is to provide them with tools for effective and meaningful participation in the politics of the budgetary process.

Course Requirements

The course will be conducted as a seminar emphasizing class participation and discussion. Through examination of recent case studies and the use of simulation exercises, it will delve into both the theoretical and practical aspects of budgetary politics.

In order to help make this course as "real world" as possible, each student will be required to develop a detailed legislative campaign plan around a specific budgetary issue. To accomplish this, each student will be responsible for examining the budget lobbying activities of a particular organization, which will be assigned in the second class. These organizations will be selected from a list of governmental agencies; corporations; labor unions; and trade, professional, and business associations. This list will be distributed at the end of the first class. Basic information about the entity -- how it is organized; its approach to lobbying; its budgetary interests at the federal, state, and/or local levels, etc. -- should be collected as soon as possible. Students will use this information to identify a specific budgetary goal and

develop the required lobbying plan. This information will also be utilized to comment on a variety of discussion topics throughout the semester.

There will also be a written final examination. This exam will be distributed at the end of class on Tuesday, July 24th and must be completed and returned no later than 5pm on Monday, July 30th.

It should be noted that this course puts a heavy emphasis on participation in the weekly lectures and class discussion. Students' grades in the course will be determined in part on the extent (and quality) of their class participation. Obviously, attendance in class is required to participate.

Course grades will be determined as follows:

Final Examination	33.3%
Attendance and Participation	33.3%
Budget Lobbying Plan	33.3%

Course Materials

The following texts are required:

1. Shick, Allen The Federal Budget: Politics, Policy Process, Revised Edition, Brookings, 2000
2. Wildavsky, Aaron and Naomi Caiden The New Politics of the Budgetary Process (Fifth Edition), Longman Publishing Group, 2004

Additional readings will either be available on reserve at the George Washington University Library or distributed in class.

Students are also expected to read the newspapers each day with particular emphasis on articles dealing with the federal budget and the budgetary process.

Office Hours

Professor Edwards maintains offices near the George Washington University campus and will gladly make himself available for consultations with students during the week. In addition, students should feel free to call him with questions. He can be reached at (202) 822-7564. Faxes can be sent to (202) 822-7117. He can be reached at either of two email addresses: Edwardsm@gwu.edu or MEdwards@nea.org.

CLASS SCHEDULE

1. May 20: **Introduction: Lobbying and the Budget Process**

Outline of the material to be covered. Explanation of the required and recommended readings. Discussion of assignments. Introduction to the economic, legislative and political context within which budget decision-making occurs.

2. May 27: **Overview: The Politics of the Budgetary Process**

Overview of federal, state, and local budgets and budget processes. Examination of how the development of the public budget is affected both by institutional politics, including the division of executive and legislative powers, and by partisan and individual political objectives within both the executive and the legislative branches. The concept of an annual budget cycle, budget terminology, and an explanation of how to find and use budget documents. Where's the money?

Assignment of organizations for class assignments, lobbying plan.

Schick 1-47; 287-297

Wildavsky 1-24

3. June 3: **The History of the Federal Budget Process**

Review of the dynamics that have shaped national budgetary politics, policies, and procedures over the past 200 years; examination of the evolution of the Congressional and Executive Branch roles in budgeting, including the Budget and Accounting Act of 1921, the Congressional Budget and Impoundment Control Act of 1974, and the Balanced Budget and Emergency Deficit Control Act of 1985; the Budget Enforcement Act of 1990 (as amended) and their aftermath. Examination of the implications of this past history on the budgetary processes and politics of today.

Wildavsky 24-41, 68-122

4. June 10: **The Federal Budgetary Process**

Detailed examination of the budget processes currently being used by Congress. Discussion of the procedures that Congress now uses to develop a budget and make resource allocation decisions, their implications for advocates and policy-makers, and a variety of procedural alternatives currently being considered. Examination of the differences between budgeting -- and budgetary politics -- at the federal level and at the state and local level. An overview of state and local budget procedures, processes, and constraints.

Schick 48-138

Wildavsky 123-224

5. June 17: **Advocacy in the Federal Budget Process**

Review of the general role of advocacy in the governmental process and discussion of its specific role in budget decision-making. Examination of the types of lobbying entities that are active in the budgetary

process and the techniques and strategies which they utilize. Discussion of the interaction among lobbyists, executive branch officials, and legislators in the budget process. Explanation of how lobbyists and lobbying groups view the budget process, how budget goals are set, how advocacy strategies are planned, and how budgetary advocacy strategies are implemented including a discussion of the key tools and techniques of advocacy in the budget process. Description of the various components of the advocacy process, including mobilization of grassroots support, communications, media relations, individual and group activism, and personal contacts.

Wildavsky 42-67

6. June 24: **Lobbying the Expenditure Side**

Review of the process by which appropriations, authorizations, and entitlement laws are enacted and amended, with special emphasis of the various steps of the budget process that affect the ways these laws are written.

Schick 163-240

7. July 8: **Lobbying the Revenue Side**

How the federal tax system works, including the basic aspects of the personal and corporate income tax systems, the tax legislative process, and tax politics. Review of the process by which tax laws are enacted and amended. Exploration of the tools, techniques, and strategies for influencing revenue decisions.

Schick 139-162

8. July 15: **The Executive Branch**

Review of the development of the executive role in budgeting. Discussion of the interplay among the various components of government involved in budgeting, particularly the relationship between operating agencies and the chief executive, and between the executive and the legislature. Examination of budget implementation and grantsmanship, including the role of administrative and regulatory agencies in expenditures. Influencing the Executive Branch.

Schick 241-284

9. July 22: **The Electoral Connection**

An analysis of budgetary issues in political campaigns; using electoral politics to influence revenue and expenditure decisions. Examination of the use of referenda, initiatives, and other ballot measures to affect budgetary outcomes. Review of the emergence of structural and procedural problems in the budgetary process and the attempts to improve the process through structural and procedural reform. Discussion of the impact of specific changes in budget procedure on policy outcomes and resource allocation

Budget Lobbying Plan due; Final Examination distributed

Note: 5pm, Monday, July 28: Final Examination Due