

The Politics of Public Budgeting

Getting and Spending, Borrowing and Balancing

FIFTH EDITION

Irene S. Rubin
Northern Illinois University



A Division of Congressional Quarterly Inc.
Washington, D.C.

Contents

<i>List of Tables, Figures, and Minicases</i>	ix
<i>Preface</i>	xi
<i>Acknowledgments</i>	xv
1. The Politics of Public Budgets	1
What Is Budgeting?	3
Governmental Budgeting	6
<i>Minicase: Highly Constrained Budgeting—Colorado’s TABOR Amendment</i>	8
<i>Minicase: City Manager Replies to Scathing Budget Critique</i>	10
<i>Minicase: The Government Performance and Results Act</i>	21
<i>Minicase: Doctoring Audit Reports</i>	24
<i>Minicase: Unfunded Mandates—No Child Left Behind</i>	26
The Meaning of Politics in Public Budgeting	28
Budgetary Decision Making	30
Microbudgeting and Macrobudgeting	33
Summary and Conclusions	36
2. Revenue Politics	37
Raising Taxes	38
<i>Minicase: Alabama Governor’s \$1.2 Billion Tax Increase Defeated</i>	39
<i>Minicase: A Successful Municipal Tax Increase in Dayton, Ohio</i>	41

The Politics of Protection	46
<i>Minicase: Tax Expenditures and the Battle over Offsets</i>	58
<i>Minicase: Boeing and Washington State</i>	61
<i>Minicase: Iowa—How a Tax Incentive Program Was Terminated</i>	64
<i>Minicase: State Tax Break Prohibitions and Evasion</i>	69
The Politics of Reform	71
Summary and Conclusions	73
3. The Politics of Process	75
Budget Process and the Characteristics of Public Budgeting	76
Macro and Micro Politics	78
<i>Minicase: Republican Macro-Level Reform Proposals</i>	79
<i>Minicase: Micro Politics—Bending the Rules to Win Individual Decisions</i>	83
Designing Process to Achieve Policy and Political Goals	85
<i>Minicase: How the Governor's Veto Is Used</i>	90
Variation between and among Federal, State, and Local Governments	93
Summary and Conclusions	101
4. The Dynamics of Changing Budget Processes	102
Overview	103
<i>Minicase: New York State and Pressure to Change the Formal Rules</i>	104
Major Changes in the Federal Budget Process	107
<i>Minicase: Ad Hoc Scoring Rules</i>	118
Changes in Budget Process at the State Level	120
<i>Minicase: Maryland's Legislative Budget Power</i>	121
<i>Minicase: Nevada—Legislative Access to Agency Budget Requests</i>	125
<i>Minicase: The Executive and the Legislature in Florida's Budgeting</i>	126
Changes in Budget Process at the Local Level	131
<i>Minicase: Florida and Unfunded Mandates</i>	138
Summary and Conclusions	143
5. Expenditures: The Politics of Choice	145
Strategies of Agency Heads or Program Directors	147
<i>Minicase: The Department of Housing and Urban Development and Boutique Programs</i>	155

<i>Minicase: The Economic Development Administration Uses Defense Funds</i>	158	
Top-Down Strategies	159	
<i>Minicase: Federal Trust Funds</i>	162	
<i>Minicase: Calculating the Base in St. Paul, 2005</i>	170	
<i>Minicase: Black Project Failure—The A-12 Navy Fighter Plane</i>	176	
The Environment Can Affect Spending Priorities	180	
<i>Minicase: The Aviation Trust Fund</i>	181	
Analysis: Accountability and Acceptability	183	
Summary and Conclusions	184	
6. The Politics of Balancing the Budget	187	
Balance as a Constraint	189	
Multiple Actors, Ideologies, and Deficits	190	
<i>Minicase: Balance in the Federal Highway Trust Fund</i>	191	
The Environment, Unpredictability, and Deficits	194	
Increasing Stress between Payer and Decider	196	
The Politics of Deficits: The Federal Level	200	
Deficits in the States	209	
<i>Minicase: Wisconsin Confronts Deficits</i>	210	
The Politics of Balance in Cities	223	
<i>Minicase: The Politics of Deficits—An Urban Example</i>	225	
Summary and Conclusions	228	
7. Budget Execution: The Politics of Adaptation	230	
Tools for Changing the Budget	233	
<i>Minicase: Reprogramming in the Department of Defense</i>	244	
Summary and Conclusions	247	
8. Budget Implementation and Control	249	
The Discretion-Abuse-Control Cycle	249	
<i>Minicase: Abuse and Controls at the Department of Defense</i>	253	
<i>Minicase: Massachusetts Overcontrols the Cities, 1875–1933</i>	260	
Discretion and Control: The Politics of Finding Waste, Fraud, and Abuse	262	
<i>Minicase: Homeland Security Inspector General Not Renewed</i>	263	
<i>Minicase: Tension at the CIA</i>	267	
Summary and Conclusions	280	

9. Budgetary Decision Making and Politics	281
Real-Time Budgeting	281
A Comparison of the Decision-Making Streams	285
Common Themes	286
Reconceptualizing Reform	294
Avenues for Research	297
Summary and Conclusions	300
<i>Notes</i>	302
<i>Name Index</i>	321
<i>Subject Index</i>	323