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Keeping Score: The Congressional Budget Office and the Politics of Institutional Durability

Philip Rocco, Marquette University

The production of policy knowledge in the United States is typically described as fractured and contentious. Yet since 1974, the production of *fiscal* knowledge in the federal budget process has become more centralized and coordinated. And even as Congress has retrenched other analytic institutions, the Congressional Budget Office (CBO) has endured. Dominant explanations for the CBO's durability point to its reputation for neutral competence. This argument, however, fails to acknowledge that Congress has retrenched other institutions with similar reputations. Drawing on theories of policy durability and change, I argue that the CBO's endurance has depended on the existence of a political support structure and growing congressional investments in fiscal knowledge. As these changes created barriers to formal retrenchment, critics of the CBO have embraced "technopolitical" strategies for altering its analyses or undermining its credibility. I conclude by considering the implications of these findings for what we know about the durability of policy-analytic institutions.

Keywords: Fiscal Policy, Knowledge Production, Institutional Durability, Congressional Budget Office

Introduction

Knowledge production is integral to the formation of public policy. Operating under conditions of uncertainty, elected officials search for information about the

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policy and political effects of major legislation.¹ This search is structured by a complex of institutions and organizations that produce policy-relevant information, what John Campbell and Ove Pedersen call a national “knowledge regime.”² The United States’ knowledge regime is conventionally described as highly fragmented across a number of competing government agencies and think tanks, which offer contrasting assessments of public policy alternatives.³ Yet within this regime, there exist institutions that play a more centralizing and coordinative role than the conventional wisdom would suggest. The Congressional Budget Office (CBO) is one such institution. Theda Skocpol has described it as a “nearly sovereign” actor in American politics, whose analyses determine whether a policy proposal lives or dies.⁴

Sovereign or not, the CBO exercises a conceptual power over the policy process. It not only produces high-profile analyses of the president’s budget and proposed legislation, it operationalizes the categories that define the budgetary process—most importantly the budget baseline—and lays out packages of options for deficit reduction.⁵ Consider the anticipation that greeted its May 2019 report, *Key Design Components and Considerations for Establishing a Single-Payer Health Care System*.⁶ Both supporters and opponents of the proposed reform eagerly awaited the release of this report. Yet this was not because it contained an evaluation of single-payer’s costs and benefits. Rather, it merely provided important indications as to how the CBO would classify and evaluate various aspects of the proposal’s cost. Thus “within minutes of its release, congressional news releases began pouring out, noting how the report had confirmed this or that position.”⁷

Given the fragmented and contested nature of policy knowledge in the US, the CBO’s durability is puzzling. From the beginnings of Congress’s “analytical revolution” in the 1970s, political scientists have expressed doubt that expert agencies

1. Frank R. Baumgartner and Bryan D. Jones, *The Politics of Information: Problem Definition and the Course of Public Policy in America* (Chicago: University of Chicago Press, 2015).

2. John L. Campbell and Ove K. Pedersen, *The National Origins of Policy Ideas*. (Princeton, NJ: Princeton University Press, 2015).

3. Karen Orren and Stephen Skowronek, *The Policy State: An American Predicament* (Cambridge, MA: Harvard University Press, 2017).

4. Theda Skocpol, *Boomerang: Clinton’s Health Security Effort and the Turn Against Government in US Politics* (New York: WW Norton, 1996).

5. Philip Joyce, *The Congressional Budget Office: Honest Numbers, Power, and Policymaking* (Washington, DC: Georgetown University Press, 2011).

6. Congressional Budget Office (CBO), *Key Design Components and Considerations for Establishing a Single-Payer Health Care System*, (Washington, DC: CBO, 2019).

7. Margot Sanger-Katz, “‘Medicare for All’ Gets Much-Awaited Report. Both Sides Can Claim Victory,” *New York Times*, May 1, 2019, <https://www.nytimes.com/2019/05/01/upshot/medicare-for-all-cbo-report.html?searchResultPosition=1>.

created by Congress—especially those with the ability to generate unfavorable assessments of congressional legislation—would have a long shelf-life.⁸ This has held true in a number of regards. In the 1990s, Congress retrenched other high-profile analytic institutions—zeroing out the budget for the Office of Technology Assessment (OTA) and the Advisory Commission on Intergovernmental Relations, and drastically reducing the budget of the Government Accountability Office (GAO).⁹ Indeed, the mid-1990s is often referred to as the beginning of a congressional “brain drain,” a period in which Congress began to divest itself of core analytic and technical capacities.¹⁰

Yet despite the deleterious effects of partisan polarization on the supply of congressional policy analysis, the CBO endured this period, avoiding forms of retrenchment that other analytic institutions experienced. Proposals to eliminate or significantly cut funding to the CBO routinely fail. This is puzzling because the CBO has, at one time or another, produced analyses that seriously jeopardize the interests of the majority party. Its cost analyses have helped to undermine support for Democratic policy priorities, including national health care reform and the introduction of a comprehensive long-term care benefit within Medicare, as well as significant tax cuts proposed by Republicans. What explains the CBO’s durability?

Building on theoretical developments in the study of policy change, I argue that the CBO has avoided retrenchment for three reasons. First, the enacting legislation for the CBO created a support structure for the agency in the form of congressional budget committees. These committees depended on the CBO to build up their authority in the post-reform budgetary context, making them ardent defenders of the office when it faces external threats. Second, the growth of the budget deficit in the 1980s caused members of Congress to invest greater authority in the CBO as a source of fiscal knowledge—enhancing its role as an official scorekeeper rather than a mere policy shop. As the office’s role in evaluating the cost of new legislation increased, members of Congress and other policy elites became more dependent on the CBO as a source of information. In effect, deficits helped to stabilize the

8. Allen Schick, “The Supply and Demand for Analysis on Capitol Hill,” *Policy Analysis* 2 (2, 1976): 215–234.

9. Bruce Allen Bimber, *The Politics of Expertise in Congress: The Rise and Fall of the Office of Technology Assessment* (Albany, NY: SUNY Press, 1996); and Walter Williams, *Honest Numbers and Democracy: Social Policy Analysis in the White House, Congress, and the Federal Agencies* (Washington, DC: Georgetown University Press, 1998).

10. Anthony J. Chergosky and Jason M. Roberts, “The De-Institutionalization of Congress,” *Political Science Quarterly*, 133 (2018): 475–496.

CBO. Third, as the CBO has stabilized itself, members of Congress have largely eschewed efforts at retrenchment—even when the CBO’s analyses threaten their legislative priorities. Instead, they have leveraged “technopolitical” strategies to ensure that the CBO provides favorable analyses of their proposals.¹¹ This includes a variety of efforts, from strategically redesigning legislation to “game” the scoring process, to measures that expose the CBO’s methods to increased congressional scrutiny. For the most part, these efforts have not resulted in significant changes in the CBO’s operations. Nevertheless, they have helped to highlight the uncertainty embedded in the office’s analyses, inviting more intense scrutiny. Even if this maneuver does not result in retrenchment, it may produce reforms that open the CBO’s analyses to greater contestation.

How do Policy-Analytic Institutions Endure?

Institutions for policy analysis are easily taken for granted as permanent fixtures of the political landscape. Yet especially when their research output affects the viability of proposed legislation, policymakers will have incentives to limit the influence of these institutions. Hence explaining the durability of policy-analytic institutions requires us to specify how these organizations gain authority within the policymaking process and become sufficiently insulated from efforts at retrenchment.¹²

Some accounts suggest that these institutions gain authority when they develop a *reputation for technical expertise*, or “capacity and skill required for dealing in complex environments.”¹³ This is especially true for institutions which lack formal rulemaking power and whose influence depends at least in part on whether policymakers take their forecasts and analyses seriously. By all accounts, the CBO’s first director, Alice Rivlin, helped to strengthen the office by creating an “internal culture” for unbiased and high-quality research as well as an “external profile” for the agency as a source of “neutral competence in the budget process.”¹⁴ Reputational

11. Gabrielle Hecht, *The Radiance of France: Nuclear Power and National Identity after World War II* (Cambridge, MA: The MIT Press, 1998).

12. Eric Patashnik, “Why Some Reforms Last and Others Collapse: The Tax Reform Act of 1986 versus Airline Deregulation,” in *Living Legislation: Durability, Change, and the Politics of American Lawmaking*, eds. Jeffrey A. Jenkins and Eric M. Patashnik (Chicago: University of Chicago Press, 2012): 149.

13. Daniel P. Carpenter and George A. Krause, “Reputation and public administration,” *Public Administration Review* 72 (2012): 27.

14. Joyce, *The Congressional Budget Office*, 213.

motivations have also helped to enhance the quality of the CBO's macroeconomic forecasts.¹⁵

Yet a reputation for neutral competence is not a sufficient explanation for the durability of policy-analytic institutions within government. Congressional support agencies like the CBO are created in an explicitly political context.¹⁶ While developing such a reputation may be desirable, policymakers' preferences for objective expertise have varied over time. In highly polarized environments, establishing credibility in the first place may also be difficult.¹⁷ Indeed, Congress has in the past eliminated or severely limited its support for policy-analytic institutions with strong reputations for technical expertise. Throughout the 1980s and early 1990s, the OTA assiduously developed a reputation for neutral, nonpartisan competence. While the office's early years were beset by criticism, reforms initiated by director John Gibbons starting in 1979, together with leadership from a bipartisan Technology Assessment Board, helped to limit accusations of bias and built a strong reputation for the organization across party lines.¹⁸ Nevertheless, House Republicans zeroed out the OTA's budget in 1995 as part of the party's Contract with America pledge to "cut Congress first." Despite building up a similar reputation for neutral competence, the GAO experienced significant cuts and staff reductions that year.¹⁹ Hence any explanation of the durability of policy-analytic institutions must go beyond reputation alone to examine why these institutions endure through periods of intense partisan polarization, during which their political principals may have strong incentives to eliminate them if they provide too much "bad news."

To solve this problem, it is worth remembering that Congress does not create policy-analytic institutions in a vacuum. Rather, they are typically part of larger projects of institutional change. As such, recent literature on policy durability

15. George A. Krause and James W. Douglas, "Institutional design versus reputational effects on bureaucratic performance: Evidence from US government macroeconomic and fiscal projections," *Journal of Public Administration Research and Theory* 15 (2005): 281–306.

16. Charles O. Jones, "Why Congress Can't Do Policy Analysis (or words to that effect)," *Policy Analysis* 2(1976): 251–64.

17. Ann C. Keller, Robin Flagg, Justin Keller, and Suhasini Ravi, "Impossible Politics? PCORI and the Search for Publicly Funded Comparative Effectiveness Research in the United States," *Journal of Health Politics, Policy and Law* 44 (2019): 221–265.

18. Bimber, *The Politics of Expertise in Congress*; and Zach Graves, "Rebuilding a Technology Assessment Office in Congress: Frequently Asked Questions," R Street Policy Study No. 152, <https://2o9ub0417chl2lg6m43em6psi2i-wpengine.netdna-ssl.com/wp-content/uploads/2018/09/No.-152.pdf>.

19. Williams, *Honest Numbers and Democracy*, 211.

and change offers several major insights that may help us understand their endurance.²⁰ First, the long-term sustainability of reforms depends on how they restructure governance. Reforms are more likely to be durable when a political support structure insulates them from adverse pressure, either by placing them in favorable venues, or raising the transaction costs associated with retrenchment. Second, reform sustainability depends on whether relevant political actors make extensive investments in the assumption that the reform will continue.²¹ When policymakers and interest groups make large-scale, specific investments related to the new policy, it is more likely to endure. Their incentives to do this may also depend on changes in the macro-political environment, such as the emergence of political coalitions hostile to the reform.²² Third, even when reforms are formally stable, policymakers may engage in efforts to undermine them or substantially redirect their operations. This can occur through institutional layering, or the creation of alternative institutions or rules that gradually undermine political support for or the effectiveness of the initial reform.²³ It can also occur through institutional conversion, or the informal reinterpretation of existing rules or norms.²⁴

Three hypotheses related to the durability of analytic institutions follow from this analysis. First, policy-analytic institutions should be more likely to endure *when their enacting legislation creates political support structures*. For example, policy-analytic institutions may become harder to retrench when enacting legislation gives them a central role in the policymaking process, such as defining or operationalizing key categories or concepts, producing information (e.g., numerical targets) on which future legislation must be based, or supporting the work of key policymaking committees. When these institutions are more central to the legislative process and when they enjoy support from key committees, the transaction costs associated with formal retrenchment are—all else equal—likely to be significant. By contrast, as Walter Williams' study of the "anti-analytic presidency" shows, analytic retrenchment may be easier to accomplish when decisions about institutional structure and resources

20. See, e.g., Jenkins and Patashnik, eds., *Living Legislation*.

21. Eric Patashnik, *Reforms at Risk: What Happens After Major Policy Changes are Enacted* (Princeton, NJ: Princeton University Press, 2008).

22. Christopher R. Berry, Barry Burden, and William Howell, "The Lives and Deaths of Federal Programs, 1971–2003," in *Living Legislation*, eds. Jeffrey A. Jenkins and Eric M. Patashnik (Chicago: University of Chicago Press, 2012), 86–110.

23. Eric Schickler, *Disjointed Pluralism: Institutional Innovation and the Development of the US Congress* (Princeton, NJ: Princeton University Press, 2001).

24. Anneliese Dodds and Naonori Kodate, "Understanding institutional conversion: the case of the National Reporting and Learning System," *Journal of Public Policy* 32 (2012): 117–139.

can be made unilaterally, or when analytic organizations have few entrenched supporters.²⁵ Along these lines, I expect members of the budget committees, who depend on the CBO for their authority in the post-reform budgeting process, have helped to defend it against retrenchment threats.

Second, policy-analytic institutions should be more likely to persist when policy elites *make specific, large-scale resource investments with the expectation that they will endure*. When other policymakers, interest groups, or media outlets come to depend on a policy-analytic institution as the primary source of information about a dimension of public policy, the transaction costs of retrenching that institution increase, *ceteris paribus*. To be sure, a reputation for neutral competence may enhance this dependence. Yet the value that policymakers place on certain forms of knowledge can be shaped by broader shifts in the political economy. For example, economic crises, wars, or jurisdictional conflicts can increase the value that societal actors place on the knowledge created by a particular institution and the coalitions available to support knowledge production.²⁶ When institutions produce unique knowledge about a salient problem perceived as significant by the dominant political coalition, they may be more durable over time. I thus expect that congressional investments in the CBO's scorekeeping functions—which were integral to monitoring and managing the growing federal deficit in the late 1980s and early 1990s—raised the transaction costs of retrenchment. If this is true, rising deficits should also increase the salience of the CBO as a source of fiscal knowledge.

Third, when policy-analytic institutions are resilient to formal retrenchment or displacement, changes in the macro-political context may result in efforts to *alter how their analyses are produced or consumed*. Policymakers critical of expert institutions, especially those with strong reputations, may turn to what Gabrielle Hecht calls “technopolitics,” or the “strategic practice of designing or using technology to constitute, embody, or enact political goals.”²⁷ In the case of the CBO, this may involve the introduction of requirements altering the types of analyses an institution may produce, the methods it may use, assumptions it may make, or the conditions under which it may publish analyses. More informally, policymakers may exploit uncertainty in the CBO's analyses as a reason to discount or ignore them. While such efforts may not themselves lead to formal retrenchment, they may enable policymakers to ignore or dismiss the conclusions made by the office.

25. Walter Williams, *Honest Numbers and Democracy*.

26. Jennifer Light, *From Warfare to Welfare: Defense Intellectuals and Urban Problems in Cold War America* (Baltimore, MD: Johns Hopkins University Press, 2003).

27. Hecht, *The Radiance of France*, 91.

In sum, while policy-analytic institutions may benefit from a reputation for technical expertise or neutral competence, theories of institutional durability and change suggest that this reputation is not enough. Because policymakers place instrumental as well as evidentiary demands on knowledge, we must examine how political support structures and resource investments insulate them from attempts at retrenchment. Further, we must consider how policymakers disadvantaged by policy-analytic institutions find alternatives to retrenchment. The following sections investigate these hypotheses in the case of the CBO.

Creating a Political Support Structure for Fiscal Knowledge

The prevailing understanding of why the CBO has endured—especially in an increasingly partisan context for knowledge production—focuses on how the office’s leadership built a reputation for nonpartisan expertise. The CBO’s first director, Alice Rivlin, built up the office’s reputation for neutral competence with multiple, cross-cutting audiences. Rivlin’s early choices—such as publishing reports without policy recommendations and networking with key high-profile journalists and economists—were no doubt crucial in creating political support for the office, even when it evoked the ire of congressional leaders.²⁸

Yet while a reputation for nonpartisanship no doubt helped the CBO to maintain itself against efforts at analytic retrenchment, its durability cannot be understood apart from the larger institutional context in which it was built. The CBO is the result of a conflict over the increasingly powerful executive branch. Following impoundment controversies in the Nixon administration, congressional policy entrepreneurs attempted to design an agency that would counterbalance the power of the president in the budgetary process, an alternative source of information that would be loyal to Congress, checking the assumptions of the Office of Management and Budget (OMB) as well as other executive-branch organizations.²⁹

The mere existence of the CBO as a counterweight to the OMB was not enough to secure its durability, however. Indeed, as we will see, numerous members of Congress have attempted to eliminate or downsize the agency. Rather, the law which created it—the Budget and Impoundment Control Act of 1974—restructured governance in several ways that further strengthened congressional support

28. Alice Rivlin, Oral History Interview, Miller Center, University of Virginia, 2002; Rudolph Penner, Oral History Interview, conducted by Patrick Sharma in 2010 (Berkeley, CA: Regional Oral History Office, 2011); and Robert Reischauer, Oral History Interview, conducted by Patrick Sharma in 2011 (Berkeley, CA: Regional Oral History Office, 2011).

29. Aaron Wildavsky and Naomi Caiden, *The New Politics of the Budgetary Process*. Fifth ed. (New York: Pearson/Longman, 2004).

for the new agency.³⁰ First, the law made the CBO an integral part of the legislative process, increasing its value to members of Congress. Specifically, the budget law required the CBO to produce five-year cost analyses of all proposed legislation reported out of committees as well as an annual report that provided budget committees with information on analyzing revenue, budget authority, outlays, tax expenditures, and spending. This provision gave Rivlin and her staff institutional leeway to produce independent budget forecasts. The CBO's questioning of the OMB's forecasts became a political flashpoint in the late 1970s, winning the office support from both Democrats (under the Ford administration) and Republicans (during the Carter administration).³¹ By comparison, the OTA's enacting legislation charged the office with evaluating new technologies, but did not require it to produce these analyses as part of the legislative process. The OTA thus conducted studies primarily as a result of congressional requests.³²

In addition to giving the CBO a key legislative role, the 1974 budget law provided the office with a *concentrated constituency* within Congress. While the law did not prohibit the office from assisting individual members and other committees, it made service to the "money committees" (budget, appropriations, ways and means, and finance) the CBO's first priority. The budget committees were especially important in this regard, since they depended on the CBO's expertise to check the power of preexisting appropriations committees. As former director of the CBO Douglas Holtz-Eakin reflected in an oral history interview:

So now you're the powerless budget committees. How do you acquire power? You do it by building up the CBO. On a bipartisan basis, they have both provided CBO with resources . . . and by touting them as the world's greatest experts . . . they have built their power internally by basically conspiring to make CBO into a god.³³

30. Cf. Louis Fisher, "Federal budget doldrums: The Vacuum in presidential leadership," *Public Administration Review* 50 (1990): 693–700. In calling attention to these structural supports, I am not suggesting that the CBO's endurance a testament to the success of the 1974 budget reform, which is more often considered a failure. Indeed, Congress rarely if ever passes budgets according to the law's prescribed timetable. Rather, the CBO has provided budget committee members with agenda setting power they would not otherwise have.

31. Rivlin, Oral History Interview; Penner, Oral History Interview; Reischauer, Oral History Interview.

32. Office of Technology Assessment Act, Public Law 92–484 (1972); and Bimber, *The Politics of Expertise in Congress*.

33. Douglas Holtz-Eakin, Oral History Interview, conducted by Patrick Sharma and Martin Meeker in 2011 (Berkeley, CA: Regional Oral History Office, 2011): 35.

To be sure, the House and Senate budget committees have not always been mirror images of one another. In the first decade, the House committee operated on a divided, partisan basis whereas the Senate committee worked in a more bipartisan fashion as a defender of the “power of the purse.”³⁴ What the two committees had in common, however, was their dependence on the CBO. This is reflected in the fact that together they account for the majority of the research requests the CBO received from Congress during its first decade of operation.³⁵ By the time congressional Republicans began their retrenchment of legislative-branch institutions in 1995, congressional appropriators well understood that proposals to significantly cut the CBO would be blocked by powerful budget-committee members like Sen. Pete Domenici (R-NM). Domenici himself sat on the “Working Group on Congressional Reform” which helped to craft proposals for cutbacks in Congress. Whereas the committee recommended reducing the GAO’s budget by 25% and eliminating the OTA, it made no such recommendation for the CBO.³⁶

The development of a political support structure distinguished the CBO’s historical trajectory from that of the OTA. While both organizations developed a reputation for neutral competence, the OTA’s enacting legislation created a more diffuse set of congressional clients: committee chairs scattered across both chambers. These chairs did not depend on the OTA for their authority to the extent that the budget committees depended on the CBO. Moreover, chairs tended to act as gatekeepers—limiting junior members’ access to the OTA. Added to this, the OTA’s enacting legislation created a congressional board of directors, which had the power to decide which studies the office would undertake and publish.³⁷ Committee chairs strategized to defend the OTA following Republican efforts to zero out the office’s budget in 1995. Yet an increasingly disciplined Republican leadership in the House

34. Lance T. LeLoup, “After the blitz: Reagan and the US Congressional budget process.” *Legislative Studies Quarterly* 7 (1982): 321–339.

35. Tabulated by author from: *Legislative Branch Appropriations for Fiscal Year 1982: Hearings Before a Subcommittee of the Committee on Appropriations*, United States Senate, 97th Cong. (1981) (Statement of Alice M. Rivlin); *Legislative Branch Appropriations for Fiscal Year 1983: Hearings Before a Subcommittee of the Committee on Appropriations*, United States House of Representatives, 97th Cong. (1982) (Statement of Alice M. Rivlin); *Legislative Branch Appropriations for Fiscal Year 1985: Hearings Before a Subcommittee of the Committee on Appropriations*, United States Senate, 98th Cong. (1984) (Statement of Rudolph G. Penner); and *Legislative Branch Appropriations for Fiscal Year 1987: Hearings Before a Subcommittee of the Committee on Appropriations*, United States Senate, 99th Cong. (1986) (Statement of Rudolph G. Penner).

36. *Legislative Branch Appropriations for Fiscal Year 1996: Hearings Before a Subcommittee of the Committee on Appropriations*, United States Senate, 104th Cong. 165 (1995), 13–15.

37. Bimber, *The Politics of Expertise in Congress*, 25–40.

helped to erode the OTA's traditional support base. Further, some Senate Democrats faced pressure to "cut Congress first." Congress eliminated the OTA in 1995.³⁸

The budget committees, by contrast, proved to be enduring allies of the CBO even during polarized times. When proposals to severely cut the CBO's budget emerged during congressional debates over the appropriations "minibus" in the summer of 2017—members of the House Budget Committee, along with Democrats and moderate Republicans, again provided an important defense. The first of these proposals, an amendment introduced by Rep. Morgan Griffith (R-VA) abolished the CBO's budget analysis division—eliminating 89 full-time employees. The second, an amendment introduced by Rep. Scott Perry (R-PA), eliminated \$25 million in funding for the CBO. The introduction of the legislation followed several high-profile episodes in which the CBO's analyses revealed that Republicans' plans to repeal and replace the Affordable Care Act (ACA) would result in a loss of insurance coverage for between 16 and 31 million Americans.³⁹ In justifying his cut to the CBO, Perry specifically criticized the office's estimates on ACA coverage, noting that: "either [CBO's] process is flawed or it's completely political."⁴⁰ Griffith's amendment reportedly arose out of a discussion with the leader of the House Freedom Caucus Chairman Mark Meadows (R-NC) about the possibility of requiring the CBO to explicitly coordinate its work with outside organizations like the Heritage Foundation, the American Enterprise Institute, and the Urban Institute.⁴¹

Both of these amendments failed to pass; the House rejected the Perry and Griffith measures 107–314 and 116–309, respectively. In each case, the measures galvanized Democrats against efforts to gut the CBO but divided the Republican caucus. 44% of House Republicans supported the Perry amendment, while 48% supported the Griffith amendment. Table 1 reports the results of a logistic regression analysis of Republican votes on each amendment. Because all Democrats voted against the amendments, I exclude them from the analysis. Models of both votes included a binary variable indicating membership in the House Budget Committee, first-dimension DW-NOMINATE scores as indicators of member ideology, and an indicator of member seniority (number of terms served). The significant coefficient on the first dimension DW-NOMINATE variable suggests that economic conservatives

38. Ibid., 69–77.

39. Daniel Béland, Philip Rocco, and Alex Waddan, "Policy Feedback and the Politics of the Affordable Care Act," *Policy Studies Journal* 47 (2019): 395–422.

40. Lindsay McPherson, "House to vote on CBO Staff Cuts," *Roll Call*, July 26, 2017, <http://www.rollcall.com/news/politics/house-vote-cbo-staff-cuts>.

41. Ibid.

Table 1. Logit Analysis of Republican Votes on Perry and Griffith Amendments (July 26, 2017)

<i>Independent Variable</i>	Perry Amendment	Griffith Amendment
Budget Committee	−1.12 (0.76) ⁺	−1.45 (0.63) [*]
First-dimension NOMINATE score	12.28 (1.63) ^{***}	11.94 (1.56) ^{***}
Seniority	0.01 (0.05)	−0.01 (0.04)
Proportional Reduction in Error	0.55	0.55
N	231	236

Note: cells represent logistic regression coefficients with standard errors in parentheses; ^{***} $p < .001$; ^{**} $p < .01$; ^{*} $p < .05$; ⁺ $p < .10$.

were significantly more likely to support both amendments. Nevertheless, membership on the House Budget Committee is negatively and significantly associated with opposition to both amendments, although the strength of the relationship is stronger in the case of the Griffith Amendment. Of the 124 Republican nay votes on the Perry Amendment, 10% came from Budget Committee members, representing 61% of the Committee’s Republican members. Of the 120 Republican nay votes on the Griffith Amendment, 11% came from the Budget Committee, also representing 61% of the Committee’s Republican members. Thus, while Budget Committee members were by no means *pivotal* to the failure of these amendments, they were a core source of Republican opposition to the defunding of the CBO in 2017, as they had been in the 1990s.⁴²

Deficit Politics, Scorekeeping, and the Stabilization of the CBO

Political support structures alone are an inadequate explanation of the CBO’s durability. As former director of the CBO Robert Reischauer notes, those involved with the passage of the 1974 budget reform disagreed about what the CBO’s responsibilities should be. Hence during early years of the CBO’s life it endured at least “half a dozen near death experiences,” including budget cuts and constraints on research.⁴³ His predecessor, Rudy Penner, agrees, noting that the office was “still on shaky ground” during his tenure in the 1980s.⁴⁴ While the budget committees broadly depended on the CBO, some members of those committees expressed

42. The results of both models are robust when second-dimension DW-NOMINATE scores are included.

43. Reischauer, Oral History Interview, 1–3.

44. Penner, Oral History Interview, 9.

the view that “matters concerning the legislative process and application of the Budget Act” should be the “sole responsibilities of the Budget Committees” rather than a powerful, independent agency.⁴⁵ Perhaps more importantly, congressional appropriators have not always viewed the CBO as a worthwhile investment—especially when its analyses threatened to undermine members’ legislative priorities. By the early 1990s, shifts in the political economy caused members of Congress to make investments that enhanced the CBO’s role in policymaking beyond what the 1974 budget law intended.

The middle of the 1970s marked several shifts in the political economy, creating what Paul Pierson has called a “regime of austerity,” an assemblage of institutions that has caused policymakers to focus their attention on deficit reduction and program maintenance rather than fiscal expansion.⁴⁶ The CBO itself was not immune from pressures to cut “big government.” Especially because its analyses drew public attention to the costs of fiscal policy changes and called into question the economic assumptions made by the OMB, it quickly became a target for criticism. During legislative-branch appropriations hearings in 1980, the CBO was called on to defend errors in its economic forecasting, accusations of duplicative work, and large increases in the costs of its data-processing contracts.⁴⁷ It ultimately faced a budget cut of nearly 8% in inflation-adjusted terms for Fiscal Year 1981 (see Figure 1). While the CBO was a comparatively lean agency, with statistician and economist salaries far below that of the OMB, there were frequent calls for cutbacks.⁴⁸ Responding to the CBO’s dour analysis of the Reagan budget in 1981, Republicans circulated “Dear Colleague” letters decrying the “discredited Keynesian, aggregate demand management approach of CBO’s work” as “‘non-partisan’ analysis gone astray.”⁴⁹ And while Democrats increasingly came to value the CBO as a tool for

45. Douglas J. Bennet to Alice M. Rivlin, October 12, 1976, Files of Alice Rivlin, Director of Congressional Budget Office, Congressional Committee Correspondence, Permanent Records of the Congressional Budget Office (RG520), National Archives.

46. Paul Pierson, “From Expansion to Austerity: The New Politics of Taxing and Spending,” in *Seeking the Center: Politics and Policymaking at the New Century*, eds. Martin A. Levin, Marc K. Landy, and Martin Shapiro, (Washington, DC: Georgetown University Press, 2001), 54–80; and Eric Patashnik, “Budgets and Fiscal Policy,” in *Institutions of American Democracy: The Legislative Branch*, eds. Paul J. Quirk and Sarah Binder (New York: Oxford University Press, 2005), 382–406.

47. *Legislative Branch Appropriations for Fiscal Year 1981: Hearings Before a Subcommittee of the Committee on Appropriations*, United States House of Representatives, 96th Cong. (1980).

48. *Ibid.*, 263.

49. Jack Kemp and Delbert Latta, Dear Republican Colleague Letter, March 26, 1981, Files of Alice Rivlin, Director of Congressional Budget Office, Congressional Committee Correspondence, Permanent Records of the Congressional Budget Office (RG520), National Archives.

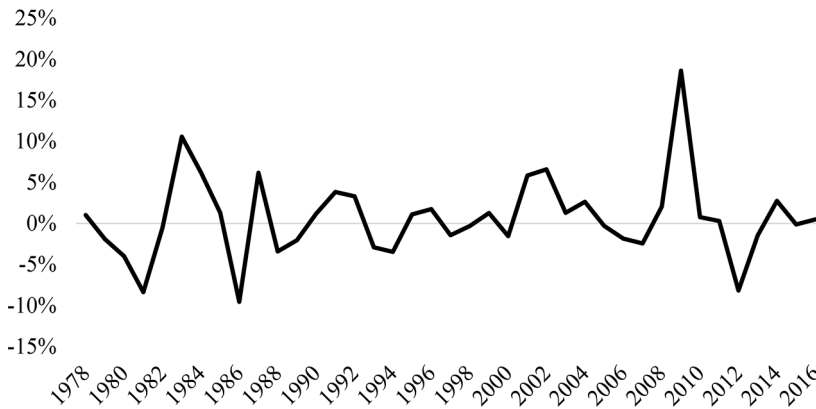


Figure 1. Percent Change in Budget Authority for Congressional Budget Office, 1978–2016

Source: Author's calculations from Office of Management and Budget, *Budget of the United States Government*, and Brookings Institution, *Vital Statistics on Congress*.

critiquing the Reagan administration's policies—the 1984 Democratic platform mentions the deficit over 40 times—this did not grant the CBO political immunity.⁵⁰ In Fiscal Year 1982, Congress authorized a level of appropriations significantly lower than the CBO's request.⁵¹

The situation grew even worse during the debate over the 1986 budget. During appropriations hearings, Sen. Al D'Amato (R-NY) grilled director Rudy Penner on the CBO's operations, calling the agency duplicative and lambasting its computer purchases and overly “slick” reports.⁵² Yet while the CBO faced significant cuts that year, mounting deficit pressures gave the office a window to influence the policy process in a new way. As Rudy Penner recalls, while the CBO could not take policy positions, he felt it was “safe for me to be against deficits.”⁵³ In interviews with journalists and public speeches, Penner frequently talked about the “dangers of deficits”

50. Democratic Party Platforms, 1984 Democratic Party Platform Online by Gerhard Peters and John T. Woolley, The American Presidency Project, <https://www.presidency.ucsb.edu/node/273258>.

51. *Legislative Branch Appropriations for Fiscal Year 1983: Hearings Before a Subcommittee of the Committee on Appropriations*, United States House of Representatives, 97th Cong. (1982), 152.

52. *Legislative Branch Appropriations for Fiscal Year 1986: Hearings Before a Subcommittee of the Committee on Appropriations*, United States Senate, 99th Cong. (1985); and *Legislative Branch Appropriations for Fiscal Year 1986: Hearings Before a Subcommittee of the Committee on Appropriations*, United States House of Representatives, 99th Cong. (1985).

53. Penner, Oral History Interview, 21.

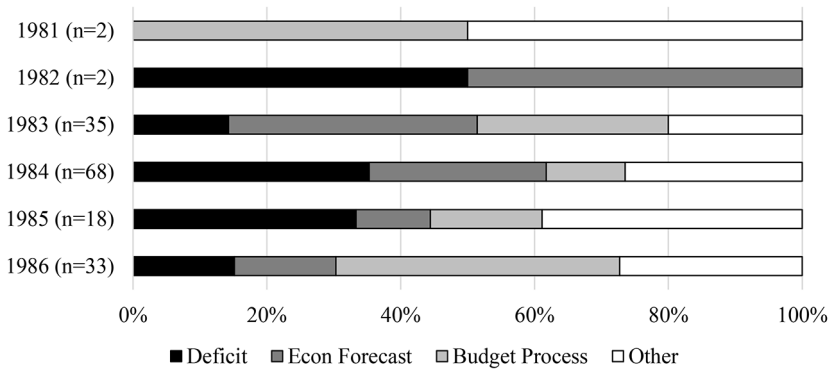


Figure 2. Topics of CBO Director Speeches, 1981–86

Note: Does not include discussions listed as “off the record” or for which no topic is listed.

Source: Author’s tabulation of data from CBO Directors’ Speech Files, Box 1, Permanent Records of the Congressional Budget Office (RG520), National Archives.

and the CBO’s forecasting of future deficits. It is for this reason, Penner argues, that “the CBO gained a lot of credibility.”⁵⁴ Rising deficits also helped to generate interest in the CBO’s research. Between 1981 and 1986, business associations, consulting firms, federal agencies, and think tanks invited the CBO’s directors to brief them on the deficit and the results of the office’s revenue forecasts. Drawing on logs contained in the CBO archives, Figure 2 presents the topical focus of speeches given by the CBO’s directors during these years. Between 1982 and 1984, the largest share of speeches given focused primarily on budget deficits and economic forecasts.

By 1986, Congress’s dependence on the CBO as an instrument for managing the deficit was becoming increasingly apparent. Congress vested new authority in the CBO to provide analyses that would support policies intended to force Congress to reduce the deficit or face automatic sequestration cuts. The first of these schemes—the Gramm-Rudman-Hollings Act—required the CBO to coordinate with the OMB and the GAO to produce binding annual deficit-reduction targets.⁵⁵ Former directors recall that this reform helped to improve coordination between the CBO and the OMB and additionally helped to solve a minor turf war that existed between the CBO and the Joint Committee on Taxation.⁵⁶ Yet most importantly, the renewed emphasis on deficit reduction gave new meaning to the CBO’s analyses. During appropriations hearings for 1987, Rep. Vic Fazio (D-CA) called the

54. Ibid.

55. The law’s delegation of authority to the GAO to produce deficit-reduction targets was subsequently struck down by the Supreme Court in *Bowsher v. Synar*, 478 U.S. 714 (1986).

56. Penner, Oral History Interview; Reischauer, Oral History Interview.

CBO's work on implementing Gramm-Rudman-Hollings "extraordinary" and encouraged Deputy Director Jim Blum to "take a bow."⁵⁷ The CBO's new responsibilities also gave it a means for defending itself against proposed cuts. Rudy Penner responded to calls for cutbacks by highlighting that the CBO's request was primarily the result of "enormous" new responsibilities added by the Budget Act which "fundamentally changed the nature" of the CBO.⁵⁸

The Gramm-Rudman-Hollings Act did not endure, but it did set the stage for future congressional investments in the CBO's scorekeeping functions. Most importantly, the 1990 Budget Enforcement Act (BEA) required the CBO to estimate discretionary spending limits, the effects of spending and revenue legislation on the deficit, and the maximum deficit amount. Additionally, the BEA enhanced the CBO's role in cost-estimation by setting forth new pay-as-you-go (PAYGO) procedures, which required the costs of major legislation to be offset by tax increases or cuts to federal spending.⁵⁹

PAYGO provisions may have been the brainchild of deficit hawks, yet they had the effect of reshaping how virtually all members of Congress saw the CBO's scores. As Robert Reischauer recalls, PAYGO had an almost "psychological" effect on members of Congress. Republicans instrumentally used the CBO's scores to attack Bill Clinton's national health reform proposal.⁶⁰ Democrats attacked Republican tax cuts by citing projections by the CBO of their deficit effects. By the middle of the 1990s, the CBO's scores had become a sort of "obligatory passage point" for legislation, the central standard by which new policy ideas were adjudicated.⁶¹ To avoid embarrassing themselves, members would use the CBO to develop an "under-the-table guesstimate" of program costs. The CBO's numbers would typically reveal that the program was more expensive than the member presumed. As a result, members would shelve or heavily revise proposals so as not to "screw things up on the PAYGO scorecard and piss off their colleagues."⁶² Indeed, Reischauer recalls that during his

57. *Legislative Branch Appropriations for Fiscal Year 1987: Hearings Before a Subcommittee of the Committee on Appropriations*, United States House of Representatives, 99th Cong. (1986), 753.

58. *Ibid.*, 774.

59. Penner, Oral History Interview; Reischauer, Oral History Interview; and Patashnik, "Budgets and Fiscal Policy."

60. Reischauer, Oral History Interview.

61. On obligatory passage points, see Michel Callon, "éléments pour une sociologie de la traduction: la domestication des coquilles Saint-Jacques et des marins-pêcheurs dans la baie de Saint-Brieuc." *L'Année sociologique* 36 (1986): 169–208.

62. Reischauer, Oral History Interview, 18–19.

tenure, members of Congress and presidents began to turn to the CBO, adjusting their policies in response to the office's analyses.⁶³

By the time of the 104th Congress's retrenchment of analytic institutions, the CBO was more fully integrated into the legislative process. In Fiscal Year 1995, 94% of the CBO's research projects were the result of congressional mandates with regular due dates.⁶⁴ During a 1995 appropriations hearing, even critics of the CBO like the Heritage Foundation's David Mason acknowledged that "recent changes in budget procedures" would "probably make it impossible to reduce spending on the Congressional Budget Office, and may indeed demand some increases."⁶⁵ Appropriations for the budget office became increasingly stable in the years that followed. The CBO's budget requests between Fiscal Years 1996 and 2018 were significantly closer to appropriations than those of the Congressional Research Service or the GAO (see Table 2). Where the gap between requests and appropriations is concerned, an analysis of variance shows there is a significant difference between these three agencies [$F(2,66) = 3.93, p = 0.02$].

A further indication of the CBO's relevance to policymaking during this period can be found in patterns of media citations of the CBO's analyses. Figure 3 plots the results of a content analysis of *New York Times* stories mentioning reports or studies by the CBO between 1975 and 2018 ($n = 7,543$) against changes in the federal budget deficit as a percent of Gross Domestic Product (GDP). As is visible here, the salience of the CBO closely tracks with deficit increases, with the largest shift in each variable occurring after the onset of the 2008 recession.

To explore these patterns further, Table 3 presents the results of three Poisson regression models of *New York Times* stories mentioning the CBO's studies between 1975 and 2018. The dependent variable is a count of articles mentioning analysis by the CBO for each year in the data set ($n = 44$). All three models include a variable indicating the size of the federal budget deficit as a percent of GDP for each year in the data set. I expect this variable to be positively and significantly associated with citation of the CBO's analysis. The full model includes a time trend and several macro-economic variables—including the December unemployment rate and a logged measure of GDP—that may affect the salience of analyses by the CBO. To ensure that the results are not simply capturing the spike in the CBO's salience during the Great Recession (see Figure 3), the final model

63. Ibid., 11.

64. *Legislative Branch Appropriations for Fiscal Year 1996: Hearings Before a Subcommittee of the Committee on Appropriations*, United States Senate, 104th Cong. (1995), 363.

65. Ibid., 42.

Table 2. Percent Difference Between Legislative-Branch Agency Requests and Congressional Appropriations, FY1996–FY2018

Organization	Mean	SD	Min, Max
Congressional Budget Office	−1.74	2.03	−6.56, 3.27
Congressional Research Service	−3.38	2.83	−8.85, 0.68
Government Accountability Office	−4.34	4.26	−19.01, 0.39

Source: Author’s analysis of House and Senate Reports on Legislative Branch Appropriations, FY1996–FY2018.

in the table excludes this period (2007–2009) from the analysis. Consistent with the argument that rising deficits helped to generate demand for analyses from the CBO, the results of all three models show that the size of the federal budget deficit is positively and significantly related to the number of *New York Times* articles mentioning the CBO in a given year. This is true even when we exclude the Great Recession period from the analysis.

The relationship between the deficit and the CBO’s salience is reflected in how policy elites leveraged studies by the CBO to make arguments in the public sphere. The online Appendix presents the results of a content analysis examining the citation of studies by the CBO in opinion columns published by the *Washington Post* between 1975 and 2018. Of the 785 articles identified, 717 (91%) leveraged the

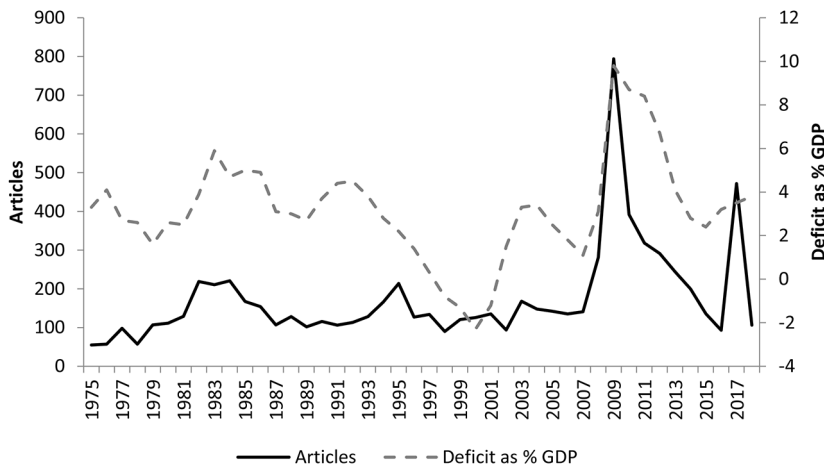


Figure 3. CBO Salience in the *New York Times* and the Size of the Deficit

Source: Author’s analysis of the *New York Times* archive and Office of Management and Budget Historical Tables, Table 1.2—Summary of Receipts, Outlays, and Surpluses or Deficits (–) as Percentages of GDP: 1930–2025.

Table 3. Poisson Regression Analyses of CBO Saliency in the *New York Times*, 1975–2018

<i>Independent Variable</i>	Bivariate Model	Full Model	Full Model (Excluding Great Recession)
Deficit	0.17 (.04)***	0.09 (.03)**	0.07 (.03)*
Unemployment	–	0.12 (.07)	0.08 (.08)
GDP (Ln.)	–	–0.80 (.71)	0.53 (.69)
Time Trend	–	–0.02 (.04)	–0.01 (.04)
N	44	44	41
χ^2	23.75***	72.12***	274.57***
Log pseudolikelihood	–865.95	–595.69	–499.82

Note: Cells are Poisson regression coefficients with robust standard errors in parentheses. *** $p < .001$; ** $p < .01$; * $p < .05$

CBO’s analysis to clearly support or critique a policy choice. Only articles making such an argument are included in the analysis. The largest share of these articles (52%) cited the CBO’s studies to consider the effects of a current or prior policy on the federal deficit. As might be expected, the majority of these articles (76%) cited deficit effects as a reason to oppose the policy in question.

From Retrenchment to Technopolitics

Congressional attention to the deficit gave the CBO’s analyses a greater instrumental value for lawmakers. Yet while they did not hesitate to use the CBO’s scores to critique their *opponents’* legislative proposals, the office’s analyses nevertheless often hamstrung their own pet projects.⁶⁶ Rather than threatening retrenchment, however, members attempted to find *technical* fixes that allowed them to leverage analyses by the CBO to strengthen the case for their preferred policies.

As Robert Saldin notes, these strategies include creative efforts to underemphasize the deficit effects of new legislation.⁶⁷ Whereas advocates of increased government spending may have incentives to strategically design legislation, advocates of tax cuts have attempted to rewrite the CBO’s instruction sheet. Conservative advocates of “supply-side” economic theories have criticized the CBO’s economic forecasts for not including macroeconomic feedback effects from tax cuts, a practice known as dynamic scoring. Within a month of taking control of Congress in

66. Joyce, *The Congressional Budget Office*, 112–14.

67. Robert Saldin, *When Bad Policy Makes Good Politics: Running the Numbers on Health Reform* (New York: Oxford University Press, 2017).

1995, Republicans organized hearings that highlighted the need for dynamic scoring.⁶⁸ Further, Republicans made acceptance of dynamic scoring's validity into a virtual litmus test for the appointment of the CBO's directors.⁶⁹ Yet incoming directors who initially suggested they would use dynamic scoring—including June O'Neill and Dan Crippen—did not always do so. O'Neill recalls House Speaker Newt Gingrich complaining that the CBO was in the "Dark Ages" and that the office's refusal to produce dynamic scores showed that it "didn't know how to do forecasts."⁷⁰ Gingrich threatened to fire O'Neill and to cut the CBO's budget, yet neither happened. One reason for this was that O'Neill was able to point to House rules forbidding the office from making a dynamic forecast.⁷¹

Indeed, rather than retrenching the CBO for failing to provide dynamic scores, Republicans have simply written dynamic scoring into the rules of the House of Representatives. In 1997, House leadership added an amendment to the House rules that required macroeconomic analysis to be included in committee reports for major legislation affecting revenues, when deemed necessary by the consultation between majority and minority leaders and a request by the Ways and Means Committee chair.⁷² Republicans strengthened this rule in 2003—mandating that the CBO execute a dynamic score at the request of the Ways and Means Committee chair.⁷³ By 2013, the House Budget Committee—then under the chairmanship of Rep. Paul Ryan (R-WI)—reported out the Pro-Growth Budgeting Act, which required the CBO to provide a dynamic score for all major legislation.⁷⁴ The committee report justified the legislation citing "frequent criticism of CBO" for "not taking into account the degree to which policies might impact the overall economy (i.e., GDP) in a positive or negative way" and an emerging "consensus in the economic community" about the weaknesses of static scoring.⁷⁵ Despite Democrats' objections, the committee reported out the bill on a party-line vote. Indeed, unlike efforts

68. *Review of Congressional Budget Cost Estimating: Joint Hearing Before the House of Representatives Committee on the Budget and the Senate Committee on the Budget*, 104th Cong. (1995).

69. June O'Neill, Oral History Interview, conducted by Patrick Sharma in 2011 (Berkeley, CA: Regional Oral History Office, 2011).

70. *Ibid.*, 22.

71. *Ibid.*, 27.

72. Adopting the Rules of the House for the 105th Congress, H. Res. 5, 105th Cong., 1st sess. (1997).

73. Adopting Rules of the House for the 108th Congress, H. Res. 5, 108th Cong., 1st sess. (2003).

74. *Report to Accompany H.R. 1874, Pro-Growth Budgeting Act of 2013*, United States House of Representatives, 113th Cong. (2013).

75. *Ibid.*, 4–5.

Table 4. Floor Support for Dynamic Scoring

Chamber	Congress	Bill or Amendment	Number voting Yea, by party	Number voting Nay, by party	Number voting Yea on Budget Committee, by party	Number voting Nay on Budget Committee, by party
House	112th	H.R. 3582 – Pro-Growth Budgeting Act	238R, 4D	0R, 179D	21R, 0D	0R, 14D
Senate	113th	S. Amdt. 154 to S. Con. Res. 8	45R, 6D	0R, 46D	10R, 1D	0R, 11D
House	113th	H.R. 1874 – Pro-Growth Budgeting Act	220R, 4D	0R, 182D	19R, 0D	0R, 15D

to retrench the CBO, dynamic-scoring legislation tends to unite rather than divide Republicans—including members of the budget committees—on the floor (see Table 4). The Pro-Growth Budgeting Act did not ultimately become law, yet subsequent Republican congresses incorporated its “automated” approach to dynamic scoring in rules packages and annual budget resolutions.⁷⁶

To be sure, the effects of dynamic scoring have been less favorable to Republican tax cuts in practice than some members initially supposed. Unlike his predecessors, Douglas Holtz-Eakin, who directed the CBO between 2003 and 2005, embraced dynamic scoring as an alternative approach to developing the budget baseline. As Holtz-Eakin put it, Republicans hoped it would be a “magic elixir to solve all budgetary woes,” yet he was “sure [Republicans would] be disappointed and they really were disappointed” once dynamic scores were released.⁷⁷

If the CBO’s execution of dynamic scoring has not delivered the policy victories Republicans have hoped for, members of the party have continued to highlight uncertainties regarding macroeconomic feedback effects as a means of ignoring or discounting the budget office’s analysis. It is important to remember that Republicans

76. Adopting the Rules of the House for the 114th Congress, H. Res. 5, 114th Cong., 1st sess. (2015); and Jeff Zink, “Dynamic Scoring in Practice,” Harvard Law School Briefing Papers on Federal Budget Policy, May 9, 2017, https://scholar.harvard.edu/files/briefingpapers/files/zink_-_briefing_paper_no_63.pdf.

77. Holtz-Eakin, Oral History Interview, 27.

have required the CBO and the Joint Committee on Taxation (JCT) to perform dynamic scoring “to the extent practicable.” Given the extensive costs and time required to produce valid dynamic scores, the CBO has sometimes found it difficult to provide them, especially when the legislative process moves quickly. This has provided opportunities for Republicans to dismiss the office’s static analyses as inaccurate. In 2017, for example, the CBO provided only a static score of Republicans’ signature Tax Cuts and Jobs Act, because it was “not practicable for a macroeconomic analysis to incorporate the full effects of all of the provisions in the bill, including interactions between these provisions, within the very short time available between the completion of the bill and the filing of the committee report.”⁷⁸ A dynamic analysis released by the JCT two weeks later also revealed that the tax bill would also result in significant deficit increases. In response, congressional Republicans circulated a set of talking points attacking the “substance, timing, and growth assumptions of JCT’s ‘dynamic’ score” and highlighting prediction errors in the CBO’s prior analyses.⁷⁹ According to Republicans, the JCT’s dynamic score was *insufficiently* dynamic, because of its assumptions about how consumers and workers would respond to lower levels of taxation and its assumptions about the pace at which the Federal Reserve would raise interest rates. Doubts about these scores, if anything, enabled swift legislative action. In the final hours before the bill’s passage, Senate Majority Leader Mitch McConnell announced that he was “totally confident that this is a revenue neutral bill.”⁸⁰

Republicans lodged similar concerns regarding the CBO’s evaluation of the ACA.⁸¹ Indeed, scrutiny of the CBO’s methodology increased during the 2017 effort to repeal and replace the ACA. Hearings on the CBO’s work before the House and Senate Budget Committees in 2018 were also uncharacteristically tense. By the end of the year, the committees asked the CBO for responses to 100 questions for the record.⁸² These included concerns about why the CBO does not publish its

78. CBO, *Cost Estimate of Reconciliation Instructions of the Senate Finance Committee*, November 16, 2017, 2.

79. Jim Tankersley, “Republicans Sought to Undercut an Unfavorable Analysis of the Tax Plan,” *New York Times*, December 4, 2017, <https://www.nytimes.com/2017/12/04/us/politics/republicans-joint-committee-on-taxation-estimate.html>.

80. *Ibid.*

81. *Legislative Branch Appropriations for 2015: Hearings Before a Subcommittee of the Committee on Appropriations*, United States House of Representatives, 113th Cong. (2014), 97; and CBO, *Answers to Questions for the Record Following a Hearing by the House Committee on the Budget on the Work of the Congressional Budget Office*, July 29, 2015, 6–7.

82. CBO, *Transparency at CBO: Future Plans and a Review of 2018* (Washington, DC: CBO, 2018).

models, reasons why some data is provided to the CBO on the condition of confidentiality, and whether alternative non-confidential data sources were available.⁸³ In 2018, congressional appropriators supported the hiring of additional CBO employees for the specific purpose of enhancing the transparency of its analyses. They also directed the CBO to report on planned transparency efforts.⁸⁴ The CBO quickly complied with Congress's request, releasing a report and other accompanying materials—including a podcast and a webpage—detailing the CBO's internal processes and detailed plans for future release of CBO data.⁸⁵

While transparency activities are hardly new at the CBO, greater scrutiny and congressional investment in transparency has helped to formalize these processes. For example, the CBO has begun to issue recurring publications that interrogate the accuracy of its prior cost estimates and budget projection.⁸⁶ As a supplement to its *Budget and Economic Outlook* report, the CBO also publishes an interactive workbook which allows users to “define and analyze alternative economic scenarios” by altering assumptions about productivity, labor force participation, interest rates, and inflation.⁸⁷

These transparency measures have not satisfied some conservative policy wonks, who continue to urge that the CBO and the JCT make public all models and underlying data, and to provide public documentation of the properties of all variables constructed from private data.⁸⁸ The concept of “open source” modeling became part of the “CBO Show Your Work Act,” introduced in 2017 and again in 2019 by Sen. Mike Lee (R-UT) and Rep. Warren Davidson (R-OH).⁸⁹ This legislation has not yet received extensive consideration by congressional committees, yet it represents a recognition that undermining the CBO may require opening up the “black box” of the scoring process, and subjecting the institution itself to intense external scrutiny. Some commentators were quick to note that such proposals would undermine

83. CBO, *Answers to Questions for the Record Following a Hearing Conducted by the House Committee on the Budget on CBO Oversight: Economic Assumptions, Baseline Construction, Cost Estimating, and Scoring*, July 26, 2018.

84. *2018 Senate Report on Legislative Branch Appropriations*, 115th Cong. (2016), 32.

85. CBO, *Transparency at CBO*.

86. CBO, *A Review of the Effects of the Recovery Act on SNAP*, December 2018, https://www.cbo.gov/system/files/2019-01/54864-SNAP_ARRA.pdf.

87. CBO, *Workbook for How Changes in Economic Conditions Might Affect the Federal Budget*, January 2019, <https://www.cbo.gov/publication/54934>.

88. Matt Jensen, “Transparency for Congress’s Scorekeepers,” *National Affairs* (Winter 2018): 33–49.

89. See CBO Show Your Work Act, H.R.1077 (2019); CBO Show Your Work Act, S.278 (2019); CBO Show Your Work Act, H.R. 3822 (2017); and CBO Show Your Work Act, S.1746 (2017).

the CBO's power, since the "inscrutable nature" of its methodology makes it difficult for members of Congress to challenge its estimates.⁹⁰

For their part, Democrats have also been less willing to engage in frontal assaults on the CBO's credibility. This is true despite the fact that the budget office constitutes a significant barrier to proposals for major spending programs of the sort typically proposed by Democrats. On the one hand, the party's leadership has remained, at least on the surface, concerned with the deficit effects of legislation, preferring to structure major proposals in ways that cleverly employ the CBO's scoring rules. Yet unlike Republicans, who have used technical means to undermine the budget office's credibility, progressive Democrats have made proposals to require the CBO to perform new sorts of policy analysis. The Poverty Impact Trigger Act, introduced by Rep. Barbara Lee (D-CA), requires the CBO to forecast the effects of major legislation on poverty and establishes a Poverty Impact Division of the budget office.⁹¹ Similarly, Sen. Bernie Sanders (I-VT) introduced legislation requiring the CBO to estimate the effects of legislation on carbon emissions.⁹² While neither of these pieces of legislation has seen committee action, they provide a further suggestion that progressives may be more likely to reprogram the CBO than to engage in formal retrenchment.

Conclusion

Since its creation in 1975, the CBO has come to play an unusually influential role in the legislative process. In a 2014 survey, policy experts reported that the CBO's cost estimates were the most important influence on how they assessed the quality of a piece of legislation.⁹³ Sen. Chuck Grassley (R-IA) has called the budget office "God [on Capitol Hill] because policy lives or dies by CBO's word."⁹⁴ The survival of such an institution in the face of efforts to retrench Congress's

90. Megan McArdle, "A Transparent CBO Would Be a Pointless CBO," *Bloomberg*, January 4, 2018, <https://www.bloomberg.com/opinion/articles/2018-01-04/a-transparent-cbo-would-be-a-pointless-cbo>.

91. Poverty Impact Trigger Act of 2007, H.R. 352 (2007).

92. Carbon Pollution Transparency Act of 2014, S.2905 (2014).

93. Eric M. Patashnik and Justin Peck, "Can Congress Perform Policy Analysis? The Politics of Problem Solving on Capitol Hill," in *Governing in a Polarized Age: Elections, Parties, and Political Representation in America*, eds. Alan Gerber and Eric Schickler (New York: Cambridge University Press, 2016), 267–303.

94. "Grassley Rebuts Claim of No Link Between Capital Gains Activity, Rate Cuts," Press Release, March 2, 2006, <https://www.finance.senate.gov/chairmans-news/grassley-rebuts-claim-of-no-link-between-capital-gains-activity-rate-cuts>.

analytic capacity is an empirical anomaly with significant theoretical and practical implications.

As scholarly and journalistic accounts suggest, the actions of early directors of the CBO contributed not only to how the budget office defined its role in the policymaking process, but also its survival of multiple “near-death experiences.” Nevertheless, the CBO’s reputation for neutral competence was likely a necessary but insufficient condition for durability. Demonstrated evidence of neutral competence was not enough to save organizations like the OTA from retrenchment or to spare other legislative-branch agencies from significant cuts during the 1990s.

A comparative analysis shows that the CBO benefited from the design of its enacting legislation, which created a political support structure in the form of the House and Senate Budget Committees, which rose up on multiple occasions to defend the CBO against calls for retrenchment. Second, rising deficits caused Congress to make investments in the budget office as a source of fiscal knowledge—distinguishing the CBO as an integral part of the legislative process rather than a mere “policy shop.” Congressional investments in deficit-reduction policy increased the instrumental value of the CBO to policymakers, which helped to stabilize its budget during a period of analytic retrenchment. Third, while the barriers to the retrenchment of the CBO are relatively high, congressional critics of the CBO have resorted to several “technopolitical” strategies such as redesigning legislation, revising the CBO’s scorekeeping rules, and exposing its methodologies to increased scrutiny and contestation.

Yet even without formal retrenchment, policymakers could significantly alter the CBO’s operations through greater scrutiny of the office’s methods and techniques. For example, expert panels on diet and nutrition constituted by the National Academy of Sciences have occasionally been debilitated by leaks and breakdowns in communication that jeopardize the Academy’s ability to “define its public persona in ways that protect it from challenges to its scientific and moral integrity.”⁹⁵ If similar challenges emerge for the CBO, its survival may depend on how its leaders engage in what Stephen Hilgartner calls “discursive containment,” or the usage of narrative devices and procedural mechanisms to minimize the ability of external actors to contest expert analysis.⁹⁶ The political consequences of this are hardly obvious. The instrumentalization of the deficit as an object of political conflict has spelled failure for numerous initiatives across the political spectrum.

95. Stephen Hilgartner, *Science on Stage: Expert Advice as Public Drama* (Stanford, CA: Stanford University Press, 2000), 145.

96. *Ibid.*

In any case, sizable shifts in the power or structure of the CBO would likely be accompanied by a new policy equilibrium.

The analysis here has several broader implications for the study of policy-analytic institutions. First, the production of policy knowledge varies in ways that are not neatly captured by the model of national “knowledge regimes” used in comparative scholarship. While the US knowledge regime is described as fragmented and competitive, the CBO is an exception to this trend. Compared to other forms of policy knowledge—such as the implementation and evaluation of social policy—the production of knowledge about the federal budget, the costs of federal programs, and the forecasting of fiscal conditions is relatively centralized and coordinated. Future scholarship on knowledge regimes should pay careful attention to within-case variation.

Second, in the wake of the congressional “brain drain,” there have been numerous calls to restore lost analytic and technical capacities within the legislative branch.⁹⁷ Often, these proposals call for the restoration of credible nonpartisan organizations like the OTA, recruitment of technically skilled individuals into government, and an increase in salaries for congressional staff and legislative support agencies. All of these are important goals in their own right. Yet the evidence here suggests that, to survive, analytic institutions require more than resources, capacity, and a reputation for neutral competence. Rather, they need a dedicated political support structure. While it is important for analytic organizations to have a broad clientele, they also need a more concentrated set of beneficiaries who depend on the institution to fulfill their role in the legislative process. Without a base of supporters on the budget committees, the CBO may have had fewer defenses against retrenchment. The endurance of analytic institutions may also depend on their relationship to the knowledge they produce and the salience of major issues in the political environment. Rising deficits were a key reason why Congress vested the CBO with resources and responsibilities that raised the transaction costs of retrenchment. To achieve durability in the long term, policy-analytic institutions may need to attract similar investments. By contrast, challenging the CBO’s power may require disrupting not only some of the office’s more questionable modeling assumptions but also its more pervasive orthodox views on the budget deficit.⁹⁸

97. Kevin R. Kosar, Lee Drutman, Paul Glastris, Yuval Levin, Jonathan Rauch, and Molly Reynolds, “Restoring Congress as the First Branch,” R Street Policy Study 50, January 2016, <https://www.legbranch.org/app/uploads/2018/11/RSTREET50-1.pdf>.

98. David Dayen, “Congress’s Biggest Obstacle,” *The American Prospect*, January 28, 2020, <https://prospect.org/politics/congress-biggest-obstacle-congressional-budget-office/>.

Finally, even when policy-analytic institutions develop a reputation for neutral competence, the production and consumption of policy knowledge is not necessarily depoliticized. Rather, as the case of the CBO shows, the politics of public policy takes on an increasingly technical cast. Because the CBO's cost estimates effectively act as a veto point in the legislative process, members of Congress may develop techniques to render the costs of public policy less visible, scorekeeping rules that contrast with the CBO's internal policies, or other strategies for undermining the budget office's credibility. This is to be expected. Analytical techniques are embedded in cultural assumptions about how to classify the costs and benefits of public policy as well as beliefs about what counts as valid expertise.⁹⁹ Furthermore, policy analysis benefits from rigorous interrogation of assumptions, methods, and research technologies. Yet when technical debates obscure or preempt what are fundamentally political choices about the design and implementation of public policy, they jeopardize the credibility of policy analysis and democratic representation alike. Investments in policy expertise do not cause this problem, of course, but nor can they solve it.

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99. Marion Fourcade, "The Political Valuation of Life," *Regulation and Governance* 3 (2009): 291–97.