The Decline and Resurgence of Congressional Party Conflict

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Studies of party conflict on roll-call votes emphasize the political and structural contexts for party voting. Postwar congressional parties also worked in a macroeconomic policy context. Party conflict diminished when either unemployment or inflation was an isolated problem as the parties converged toward Keynesian solutions. The collapse of Keynesian notions in the stagflation of the 1970s stimulated party conflict. An examination of all budget-related roll-call votes in the House of Representatives from 1947 to 1990 shows that congressional party conflict has political, structural, and macroeconomic roots. To explain the level of party conflict, analysts must place parties in the context of major political settlements like that of the 1930s.

The waning of congressional party conflict was a staple of both congressional and party literature for much of the 1970s and 1980s. Recently, however, heightened party conflict in roll-call voting has spurred discussion of a resurgent party system. Because congressional parties are potentially at the center of the American political system—providing cues to voters, building policy with the president—their decline or revival has special importance for the other portions of the party system. If, as with V. O. Key, elections are an echo chamber, increased voter partisanship over the long run is more likely if congressional parties provide meaningful alternatives (Macdonald and Rabinowitz 1987).

Understanding party conflict in the Congress requires a consideration of the environmental contexts within which the parties act. Existing studies of aggregate party conflict rely on political and structural variables, both internal and external to the institution.[1] But other contexts might also be vital. In particular, given the centrality of the economy to postwar American party politics and public policy, the business cycle and its management should affect the distinctiveness of congressional parties in roll-call voting. Parties advertised themselves as expressly interested in managing economic conditions. At the presidential level, they

appeared to influence economic outcomes (Alesina, Londregan, and Rosenthal 1993; Hibbs 1987). It would be surprising if such parties exhibited no regularized behavior in response to economic stimuli. For the postwar period, I suggest, macroeconomic management and economic conditions provide a significant context for the decline and resurgence of party conflict. Changes in that context, like changes in the political and structural contexts, induce or reduce party conflict. The recent resurgence in party conflict results from changes in all three contexts.

POLITICAL MODELS OF PARTY CONFLICT

Students of aggregate party conflict seek to identify the determinants of party unity and conflict in roll-call votes. "Aggregate" refers to the analytical interest in explaining the overall level of party conflict rather than determinants behind any particular legislator's vote. Scholars have emphasized that both the political environment outside the House and the House's internal structure shape party voting behavior. (Since most studies focus on the House, that is the literature I discuss here.) Patterson and Caldeira (1988) employ the most comprehensive battery of political and structural variables; many of these variables are employed in other studies. Turnover, party platform conflict, divided government, and split districts constitute Patterson and Caldeira's electoral and party context. The size of the majority party, proportion of southern Democrats and eastern Republicans, presidential support scores, and the proportion of the previous year's votes posing party majorities against each other form the congressional party context. And the number of roll calls, number of bills passed, mean committee assignments per member, first or second session, and rules changes regarding recorded teller and electronic votes form the organizational-structural context. Other studies add political conditions such as the popular vote for the president, changes in the majority party, the realignment process, regional divisions, and universalistic coalitions (Bensel 1984; Brady 1988; Clubb, Flanigan, and Zingale 1980; Clubb and Traugott 1977; Collie 1988a, 1988b, 1989; Cover, Pinney, and Serra 1994; Deckard 1976; Deckard and Stanley 1974; Sinclair 1977, 1978).

Where casting a wide empirical net has been a feature of the political environment studies, arguments about congressional structure have tended to be more explicitly theoretical. For this group, the internal structure of the House—centralization of leadership, power of the caucus—has been the central focus (Brady, Cooper, and Hurley 1979; Hammond 1991; Sinclair 1983). Some studies suggest that party leaders in the late 1970s and 1980s were able to lead primarily because they were dealing with more ideologically consistent party members—leadership in this view is rounding up increasingly like-minded members (Bensel 1984; Brady and Buckley 1994; Collie and Brady 1985; Shaffer 1980). Rohde 1991 (see also Aldrich 1995; Ornstein and Rohde 1978) argues that voters in the 1970s began sending more ideologically consistent parties to Congress. Tension from a

perceived maldistribution of power within these "new" parties led to congressional reforms in the 1970s that increased the strength of both the leadership and the caucus; leaders were then better able to lead more consistent parties. Cox and McCubbins (1993) agree that the reforms were an attempt to bring the institution, especially the committees, under firm party direction, but they dispute the notion that the parties ever really lost power (see also Kiewiet and McCubbins 1991). Although they disagree as to whether leaders were leading or being led, most scholars agree that congressional party labels were more meaningful in the mid-1980s than they had been in the previous two decades.

Studies emphasizing political variables and those emphasizing internal structural variables provide helpful insights into party conflict, but these studies are hampered by their narrow view of environment. A significant line of research over the past decade, ranging from rational choice to state-centered to political investment approaches, has suggested that parties must also be considered within their broader historical settings if their conflict is to be properly understood. This "turn to history" suggests that analyses of legislative party conflict relying on the political and structural contexts described above will miss fundamental features driving party competition in given historical eras. Aldrich (1995) and Ferguson (1995), from very different perspectives, agree that one cannot begin to understand the severity of interparty competition without understanding the contemporary issue context surrounding the parties. Milkis (1993), Shefter (1994: ch. 3), Skocpol (1985), and Skowronek (1982) argue that the state can affect the role and nature of representative intermediaries such as parties and interest groups. In particular, both the structure and policy orientations of the state define the settings within which political parties operate (Coleman 1994). Given these settings one can define the conditions under which party conflict will intensify or diminish.

If historical settings matter, what context in addition to the political and structural environments might be particularly relevant to contemporary parties? Though they argued about whether it was defunct, declining, or desperately hanging on, analysts considered the New Deal party system to define the framework of party politics for most of the period after 1945. While the New Deal introduced many innovations to American politics, the most important departure was that postwar parties operated within the constraints of state-guided macroeconomic management (cf. Harmel and Janda 1982; Serra et al. 1991). How did postwar macroeconomic management constrain the parties? The parties actively competed over their ability to provide growth, avert recession, and induce recovery. Campaign rhetoric touted each party's capacity to produce economic prosperity, but this competition was circumscribed by state structure. Congress lacked the institutional tools to build macroeconomic policy, and most voters perceived the president to be the responsible caretaker of the economy (Sundquist 1981). Monetary policy was not ordinarily subject to congressional voting (Kane 1988; Kettl 1986; Woolley 1993). Automatic stabilizers, entitlement expenditures, and

indexation defused and often removed from the agenda key issues of economic policy (Savage 1988; Spulber 1989; Stein 1969; Weaver 1988). These economic policy characteristics worked to reduce aggregate party conflict in roll-call voting by creating nondecisions, especially during economic downturns when these areas might conceivably be most plastic. Keynesianism also exerted a powerful force on the postwar parties, but not by pushing visions of deficit, surplus, or balanced spending off the agenda. Instead, the power of Keynesian ideas, even if a conservative or "commercial" Keynesianism (Collins 1981; Offe 1983; Poggi 1978; Weir 1989), encouraged members of both parties to rally around the Keynesian flag during economic difficulties, thus reducing party differences. When these constraints, particularly the political and economic appeal of Keynesian nostrums, began to weaken in the stagflation of the 1970s, party conflict increased as the two parties sought new macroeconomic philosophies.

It is important to note that this state and macroeconomic policy context does not mean that there will be no party conflict. Consistent with the historical record, one would expect less party conflict in the postwar years than, for example, during the 1880s and 1890s when trade policy was a central axis of division between the parties and, importantly, a policy area over which the congressional parties had substantial control. But even though state structure and policy concerns may have produced greater levels of party conflict in the past, there are still basic party differences in philosophy that create conflict in the postwar period. And Keynesianism, although a powerful force pushing the parties together, diminishes but does not eliminate party conflict.

DATA AND DEPENDENT VARIABLES

To explore party conflict in the postwar period, I utilize all 5,331 budget-related roll-call votes in the House of Representatives from 1947 through 1990.[2] If economics affects party voting in the New Deal party system, this influence should be visible in budget-related votes. Budget-related means that the vote in question involved: (1) an explicit expenditure, increase in expenditure, or decrease in expenditure via authorizations or appropriations; (2) a change in the debt ceiling; (3) tax bills considering changes in revenues or rates; (4) budget resolutions or reconciliation measures that establish spending and taxing targets; and (5) rules to take the various bills under consideration, including rules asking for immediate passage. Votes that define policy without explicit budgetary implications are excluded. For the postwar period, 28 to 56 percent of all votes are

[2] I obtained vote tallies from the annual *Congressional Quarterly Almanac* and *Congressional Quarterly Roll Call* and corrected and recomputed where necessary. Votes of questionable budget-related status were further checked by examining Congressional Quarterly's account of the vote and included in the database if appropriate. As do many (perhaps most) students of aggregate party voting, I omit "consensus" votes, that is, votes on which 90% or more of Democrats and 90% or more of Republicans agree on the vote (for example, 90% of each party opposes an amendment).

budget-related in a given year.[3] Budget-related votes do differ from those that are not budget-related. There is, not surprisingly, similarity in the historical level of party conflict in the budget and nonbudget vote series, but the correlation between the two is a modest .39.[4]

Measures of party conflict include the index of party dissimilarity and the party vote. Dissimilarity measures the gap in voting opinion between the two parties. For any given vote, dissimilarity is calculated by subtracting the proportion of Republicans voting "yes" from the proportion of Democrats voting "yes" and taking the absolute value. Ranging from 0 (no party difference) to 100, the dissimilarity scores for each roll-call vote are then averaged to produce a dissimilarity figure for the entire year. The same 0 to 100 range applies to the annual score. Party votes occur when a majority of Democrats oppose a majority of Republicans on a roll-call vote. For each year, the percentage of roll calls resulting in party votes ranges from 0 to 100 percent. Party dissimilarity and party votes, then, offer different perspectives on party conflict. Dissimilarity indicates whether the gap between Republicans and Democrats is narrow or wide; party votes indicate party opposition.

Figure 1 shows that dissimilarity and party votes are closely related. Both follow roughly the same pattern. Party conflict was high in the immediate postwar period and gradually trailed off through the 1950s. The mid-1960s witnessed a burst of party conflict, but after 1967 there was a collapse of party distinctiveness. After 1975, and particularly after 1979, there was a sustained increase in party conflict.[5]

INDEPENDENT VARIABLES AND HYPOTHESES

I employ economic, political, and structural independent variables to explain the level of party conflict. The economic portion of the model seeks to reflect the postwar policy context of macroeconomic management through the inclusion of the unemployment rate and the rate of inflation. Unemployment and inflation are advantageous because they are widely disseminated and discussed, they are salient to both voters and representatives, and they have been used with some
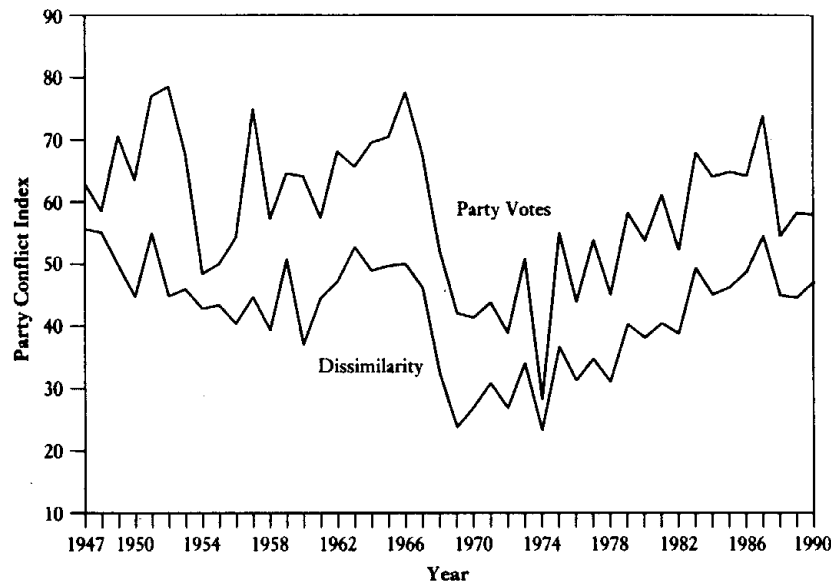
[3] The proportion of votes that are budget-related began increasing around 1971. To see if this changing proportion may have affected the aggregate party-conflict level, I included the percentage of votes that were budget-related as a variable in each model discussed below. In neither case was this variable near significance.
[4] Comparing my budget-vote series to the data on the total number of party votes and roll-call votes in Stanley and Niemi (1990, 192, 199) provides the data necessary to compare the two series across the 1953 to 1988 period.
[5] The improvement in partisanship is also present at the committee level. Unekis and Franke (1994) show that since 1971 universalism in committee voting—majorities of both parties on the same side of a vote—has been much less frequent than on the floor. Universalism is far more likely on votes to move bills to the floor than on amendments. On the prestige committees universalism is rare on any type vote; on constituency and policy committees universalism is low on amendments and high on moving bills to the floor.

FIGURE 1

MEASURES OF PARTY CONFLICT IN THE HOUSE, 1947–1990

success in modeling other political-economic interactions. They are also the most theoretically compelling variables available because they loom so large in the Keynesian analysis at the heart of postwar macroeconomic policy. To capture the effects of simultaneous high inflation and high unemployment, a stagflationist combination fundamentally challenging to the Keynesian approach, an unemployment-inflation interaction term is employed.

As a practical matter, hardly anyone one expects unemployment or inflation to equal zero. Therefore, I employ an adjusted form of these variables. Introduced by Hibbs (1987), the unemployment gap measures the distance between the official unemployment rate and the "natural" rate of unemployment (the natural rate gradually increases from five to six percent across the 1947–1990 period). The gap suggests that unemployment will be politically important when the official rate exceeds the natural and will be increasingly important as the gap widens. For the adjusted form of inflation I employ a similar gap: the gap between the actual inflation rate and a three percent "desirable" rate. This rate has resonance in recent history. In the low-inflation era of the late 1950s through the late 1960s inflation largely stayed under this threshold. Concerns about Lyndon Johnson's failure to finance the Vietnam War in an economically prudent manner grew when the inflation rate neared and exceeded three percent in the late 1960s

and early 1970s. Ronald Reagan's administration marked its economic policy as successful when the inflation rate dipped to that level. In 1992 and 1993 inflation was absent as a major issue as it hovered around three percent, and in 1994 the Federal Reserve Board embarked on a series of interest rate increases to keep inflation below that figure. Like unemployment, inflation becomes an important political issue as the inflation gap grows.

Political variables also matter. Based on findings in other party voting studies, I incorporate the following variables: the number of first-term representatives, the size of the majority party, and a dummy variable for congressional election years. Because some studies show that unified government leads to more party conflict, I employ a modified version of this variable. Even with two dummy variables—one for unified government and one for the party of the president— it is difficult to measure the impact of each potential configuration of party control. To deal with this problem, I utilize a simple if inelegant dummy variable scheme. The default condition is unified Democratic government (16 years; "Democratic government" refers to a government with a Democratic president). I include a dummy for each alternative that occurred from 1947 to 1990: unified Republican government (2 years); divided Republican government (18 years); divided Democratic government (2 years); divided Republican government with split party control of the House and Senate (6 years).[6]

Another important political consideration is the composition of the Democratic party. Assuming ideological differences between sections, past studies have used the size of the regional contingents within the party as a measure of factional tension: the more evenly the party was split between North and South, the greater the strains on intraparty unity and thus interparty conflict. I include a variable that measures the size of the dominant Democratic regional faction as a percentage of all party members. More recently, scholars have emphasized how southern Democrats are voting more like northern Democrats (Rohde 1991). If this is the case, then a variable focusing on the relative size of the dominant party faction may be misleading. Therefore, I have included a measure of the ideological leaning of southern House Democrats.

Unfortunately, standard measures of the ideological leaning of members of Congress are built from the same data that create the conflict indices—namely, roll-call votes. Key votes tabulated by the Americans for Democratic Action, for example, fall in this category. My measure of southern ideology relies on Conservative Coalition votes; these votes unite a majority of southern Democrats with a majority of Republicans, in opposition to a majority of northern Democrats. Specifically, the measure indicates the mean percentage of southern Democrats who voted with the coalition on Conservative Coalition votes. This use of the data is preferable to using the percentage of votes that are Conservative Coalition votes because it is not so directly linked with the variables measuring

[6] I thank Charles Franklin for assistance on this matter.

party conflict. For example, the *appearance* of the coalition by definition means lower party dissimilarity and fewer party votes. Focusing instead on the *changing strength* of the conservative position among southerners on Conservative Coalition votes indicates conservative predisposition without duplicating the dependent variables of party conflict.

Two additional variables round out the set of political indicators. Because of the dramatic effects of the Vietnam War on American politics and the possibility that the effects of the war might be absorbed by other variables in the model, I included the number of U.S. battle deaths in Vietnam (divided by one thousand) as a measure of the war's political intensity. I also include a dummy variable to note the year following the midterm congressional election. If the midterm election is truly an electoral corrective device, as history and previous studies suggest (Alesina, Londregan, and Rosenthal 1993; Tufte 1975), then one might expect partisanship to be highly pitched in the year following that election.[7]

To measure structural influences on party conflict, I include a dummy variable to tap into the changes of the postreform congressional era. This variable is "on" for the years 1980 to 1990, the era when the reconciliation process was employed in budget politics. It was in this period that the centralizing aspects of the congressional reforms were fully in effect—Rohde (1991) argues that observers should expect a lag between the onset of the 1974–1975 reforms and their impact—largely because of the conflicts over budgetary policy created by macroeconomic collapse.

Each estimation also employs the one-year lagged value of the dependent variable as an independent variable. This dynamic specification suggests that there is likely to be some continuity in party conflict from year to year as issues reappear on the agenda. In both authorizations and appropriations, for example, substantial portions of the budget process cover the same ground annually: issues return, party positions do not usually change radically, the preferences of returning members tend to be consistent, and institutional norms about how to process budget-related items evolve slowly. This might be viewed as the party conflict analogue to incremental budgeting.[8] More generally, if there are at least some broad, principled differences between Democrats and Republicans, these also should return annually.

How might these variables affect party conflict? Considering the political context first, a high number of Newcomers portends committee turnover and the removal of at least some committee chairs, a perceived pro- or anti-administration mandate from the voters, and a large number of malleable newcomers, which

[7] For estimation purposes, I subtracted 50 from the percentages for the size of the majority party, average southern conservative vote on Conservative Coalition votes, and the dominant Democratic regional faction. This adjustment allows these variables to have meaningful interpretations when held constant in the regression estimations.

[8] By not allowing the economic variables to absorb these underlying continuities, this dynamic specification avoids inappropriately overestimating the strength of the economic variables.

should increase conflict. Under Unified Government the majority party understands that its unity is tantamount to control of the legislative process, and the minority party realizes it can to some extent remain "above the fray" while shifting blame to the party controlling both the executive and legislative branches: conflict should increase. A similar logic works in the Size of the Majority Party: a larger majority party, though unwieldy, realizes it possesses the capability to push through policies; a smaller minority party has some incentive to avoid "me-tooism" in voicing its message. A higher percentage of seats held by the majority party should induce conflict. Vietnam provoked searing divisions in American politics and within the parties, particularly within the Democratic party. Because of these intraparty tensions, the intensification of the war should reduce party conflict. Congressional Election Years should lead to a focus on constituency and a Downsian search for the median voter that decreases conflict. The Post-Midterm Year, on the other hand, tends to boost conflict as the opposition party reads the midterm election results as a negative evaluation of the administration and the president's party circles the wagons to protect the party. Party conflict should increase as the size of the Dominant Democratic Faction rises (creating a more regionally unified Democratic party). As Southern Conservatism decreases, the differences between the two parties should increase.

In the structural context, Reconciliation should increase conflict as it (and other reforms) places new tools in the hands of the majority party leadership and establishes alternative party-influenced power bases outside the committees (Davidson 1992; Gilmour 1990; Rohde 1991; Shepsle 1989; Sinclair 1983; White and Wildavsky 1989).

Turning to the macroeconomic context, every recession poses anew the questions about the nature of the state and economic management that are central to the postwar parties. Ideally, periods of economic stress provide the impetus for parties based on economic management issues to coalesce and distinguish themselves from their rivals. But I expect that party behavior does not take this course in the postwar macroeconomic environment. Automatic stabilizers, indexation, uncontrollable expenditures, and the effective absence of direct monetary policy control—key components of the postwar macroeconomic policy context—remove from the political agenda potentially major loci of party conflict. With these areas moved largely to the sidelines, the debate during economic stress centers directly on the Keynesian concern of increasing or shrinking deficits (or possibly running a surplus). The Keynesian consensus suggests a *decrease* in party conflict, not an increase, when Unemployment or Inflation is a solitary economic problem—both parties move toward common solutions. But when *both* unemployment and inflation are high, the Keynesian model is scattered. When one of the major tenets of the postwar state weakens, legislative parties have an opening to polarize: party differences should increase as the agenda opens up to long-neglected or entirely new concerns.

My expectations about the behavior of members in this macroeconomic context require no heroic assumptions. They suggest only that members will normally be cautious about advocating new and distinctive departures in policy, particularly in an area in which the winning electoral policy *appears* clear, and that members will be both opportunistic and cautious when it comes to replacing this policy system (Malbin 1993; Pomper 1992, 39–40; Schlesinger 1991).[9] Voting dominated by plebiscites on the presidential level and a political system that places the president at the center of responsibility for the macroeconomy reinforce this caution (Alesina, Londregan, and Rosenthal 1993). This does not mean that economic debate is impossible within the confines of Keynesianism, but rather that the debate will take place in largely Keynesian terms. In postwar recessions, the policy sets considered by the two parties have been similar and Keynesian in format (public works, extending unemployment insurance, tax cuts, and so on), but differences in detail do emerge. Some of the policy distinctions—for example, different provisions in a tax bill—may make a particular difference to certain interests but may also be too technical to garner wide public comprehension. Other distinctions—for example, the number of weeks to extend unemployment insurance coverage—may have broader appeal and intuitive understanding. But genuinely alternative approaches to economic policy and a policy agenda based on different, non-Keynesian economic assumptions and goals were not likely to be advocated by the parties. When the constraints of the postwar macroeconomic management model began to weaken, the parties began to search for and present these policy alternatives, thus increasing party conflict.[10]

FINDINGS

The regression results indicate that a model combining the political, structural, and postwar macroeconomic contexts works well in explaining party conflict.[11]

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[9] Opportunities for entrepreneurship are no doubt greater in areas that are not widely considered the main axis of party competition; individual members can build enterprises around these issues. The strategic considerations mentioned in the text are consistent with one of the possible explanations for universalism given by Collie (1988a, 1988b, 1989; see also Unekis and Franke 1994). See Shafer and Claggett's (1994) analysis of the ordering of party identifiers on economic/welfare and cultural/national dimensions for a discussion of apparent winning strategies for the major parties.

[10] Supply-side economics and industrial policy would be two examples of these alternatives in the 1980s. Both had different goals for economic policy than did Keynesian fiscal policy, and both started with different assumptions about the operation of the economy and individual behavior.

[11] The estimations were corrected for serial correlation. Serial correlation—in which consecutive prediction errors in an estimated model tend to be highly correlated—may indicate that a gradually changing variable has been left out of the estimation or that the functional form of the variables is incorrect. It can reflect, then, a kind of specification error. These errors should be corrected by the analyst if possible. In other cases, however, errors are autocorrelated even without specification error. That was the case in the current estimations. Neither quadratic and polynomial transformations nor the addition of several plausible gradually changing variables removed the serial correlation. If functional respecification fails, analysts can then turn to one of several standard techniques to correct the

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A substantial proportion of variance is explained in both the party dissimilarity and party votes estimations and the F-statistic is significant. Coefficients for individual variables show that each context contributes to party conflict. I discuss first the political and structural influences on both measures of party conflict. I then examine macroeconomic influences.

Turning first to the political variables, the results for party dissimilarity in Table 1 show that the parties move toward each other in election years—dissimilarity declines by 8.5%. (Because the dependent variables are in log form to reduce nonstationarity, the coefficients can be transformed and interpreted as percentage changes in the dependent variable given a one-unit change in the independent variable. Table 1 provides the untransformed coefficients.[12]) After the midterm, party dissimilarity increases about 14%. Every one thousand battle deaths—that is, the intensification of the war—decreases dissimilarity by 1.5%. For 1968 that produces a dissimilarity decline of over 20%. As expected, large majority parties tend to increase dissimilarity, whereas large numbers of first-termers—a staple of the party roll-call literature—do not. Changing Democratic party composition works as expected in one respect—as southern conservatism declines, party dissimilarity increases. On the other hand, a larger dominant in-traparty faction does not make for more party dissimilarity. Given less conservatism of the southern faction, this finding indicates that with the factions becoming more alike, the relative size of either the majority or minority faction is not terribly important. Finally, the reconciliation period extends from Jimmy Carter's final year through George Bush's midterm and denotes structural change. It pushes the parties apart by over 20%.

The results on party control are a mixed lot: looking at the direction of the coefficients, unified government and Democratic presidents generate more dissimilarity than do divided government and Republican presidents. Considering the significance of the coefficients, however, divided Republican government produces less dissimilarity than the other forms of party control; all other forms, including two types of divided government, do not differ from the unified Democratic baseline. Broad assertions that unified governments produce more conflict

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problem and reestimate the regression. While serial correlation can vary in type—errors can be correlated in an autoregressive or moving-average process—and lag structure, the most common structure in political science research is a first-order autoregressive correlation in which consecutive errors are correlated (one examines correlograms to confirm or refute this generalization). Because the standard Durbin-Watson measure of serial correlation does not apply to estimations with lagged dependent variables, I used the Breusch-Godfrey test (which is similar to Durbin's m-test) to check for correlation. To correct for the serial correlation, I used a two-step procedure described by Ostrom (1990, 34–35, 67–71). The first step involves running an instrumental-variables regression to estimate the autoregressive parameter. The second involves estimating the model under a Prais-Winsten form of generalized least squares to produce consistent estimates.

[12] To calculate the percentage change, subtract 1.0 from the antilog of the estimated unstandardized coefficient and multiply the result by 100.

TABLE 1

PARTY CONFLICT IN THE HOUSE, 1947–1990

Independent Variables	Party Dissimilarity	Party Votes
Constant	2.4270***	1.6209**
Unemployment Gap[a]	–.0229*	–.0611***
Inflation Gap[b]	–.0170**	–.0118*
Unemployment Gap × Inflation Gap	.0060*	.0128**
Number of New Members[c]	–.0003	–.0002
R President, D Congress	–.0880**	–.0557
R President, R Congress	–.0090	–.2187**
R President, D House	–.0373	.1151
D President, R Congress	.2737	.2112
Vietnam War Intensity[d]	–.0160***	–.0108*
Size of Majority Party[e]	.0085*	.0189***
Election Year	–.0880*	–.1246
Year After Midterm Election	.1332***	.0619*
Southern Conservatism[f]	–.0087**	–.0035
Dominant Democratic Faction[g]	–.0076	–.0176
Reconciliation Era[h]	.1965**	.1432**
Party Conflict$_{t-1}$[i]	.4125***	.4539***
Standard error of the regression	.0919[j]	.1099[j]
Corrected R^2	.830	.744
F-statistic	12.784***	8.002***

Note: Entries are unstandardized coefficients. For ease of presentation, standard errors have been omitted. Dependent variables are the natural logs of the index of party dissimilarity and the percentage of party votes.

[a]Unemployment rate minus natural rate of unemployment

[b]Amount inflation rate exceeds 3%

[c]Number of first-term representatives

[d]U.S. battle deaths in Vietnam, in thousands

[e]Majority party seats as a percentage of all seats, minus 50 percentage points

[f]Mean southern Democratic support for conservative position on Conservative Coalition votes, minus 50 percentage points

[g]Percentage of Democratic seats held by larger regional faction (South, non-South), minus 50 percentage points

[h]Equals 1 for 1980 to 1990, 0 otherwise

[i]Previous year's level of party dissimilarity or party votes, respectively

[j]This model was reestimated as generalized least squares, Prais-Winsten method, due to high values of the Breusch-Godfrey test for serial correlation.

*$p \leq .10$; **$p \leq .05$; ***$p \leq .01$; one-tailed except for R president, R Congress.

are not supported by these results. Caution is the best interpretation strategy because two alternatives—divided Democratic government and unified Republican government—existed for only two years each. In the more common cases of divided Republican government and unified Democratic government, the coefficients are correctly signed and significant: divided Republican government produces about 8 percent less party dissimilarity than does unified Democratic government.

Party votes provide an alternative measure of party conflict. Overall, the estimation of political and structural variables in the party-votes model produces results comparable to those found for party dissimilarity. As in the dissimilarity estimation, the signs on the Democratic dominant faction and the number of first-term members were unexpectedly negative. Neither is significantly related to party votes. Greater intensity of the Vietnam War decreased party voting, while a larger majority party, the post-midterm session, and the structural presence of reconciliation increased party votes as they had increased dissimilarity. Lagged party votes and lagged dissimilarity (Party Conflict$_{t-1}$ in Table 1) were positively and significantly related to current levels of party votes and dissimilarity, respectively, supporting the notion that underlying continuities in budget politics—for example, a set of authorization and appropriation issues that returns to the agenda annually—produce a consistency over time in party conflict. Like budgets themselves, party conflict does not begin entirely anew in succeeding years.

There are some differences between the two estimations of party conflict. Congressional elections and southern conservatism are correctly signed in both estimations but significantly related only to dissimilarity. Party control also displays discrepancies. As with dissimilarity, only one type of party control is significantly different from the unified Democratic baseline on party votes, but this type is unified—not divided—Republican control. In party votes, unified Republican government significantly (and unexpectedly) leads to *fewer* party votes than unified Democratic government and the several forms of divided government. Part of the explanation for this anomaly is that for most of this period Republican control of the House required the capture of northern Democratic seats; Republicans were not competitive in the South. A Republican majority would make southerners a relatively larger portion of the Democratic delegation, with the likely result being a narrowed distance between Republican and Democratic voting positions. Together, these findings on party control weaken the notion that there is any consistent relationship between the form of party control and the extent of party conflict, at least in the realm of budget-related votes.

I argued above that in a postwar environment of Keynesian policy consensus we could expect economic conditions such as unemployment and inflation to have important effects on party conflict. When either inflation or unemployment are problems, Keynesian nostrums should decrease party conflict. When both are

problems simultaneously, no Keynesian remedy is obvious: party conflict should increase as new ideas enter the policy debate. Because the interaction between the unemployment and inflation gaps joins two continuous variables, conditional coefficients express the relationship between the variables. Specifically, the conditional coefficient for unemployment would be:

$$(\beta_{\text{unemployment gap}} + \beta_{\text{interaction}} \text{ Inflation gap}_i) * \text{Unemployment gap}_i$$

The conditional coefficient indicates that the effect of unemployment on party conflict depends on the level of inflation. One can similarly construct a conditional coefficient for inflation. Because of its primary emphasis in Keynesian history and the Keynesian framework, I will focus on how unemployment affects party conflict, given the inflation rate.

Expectations about the relationship between economic conditions and party conflict in the postwar Keynesian environment are well supported in Table 1: economic conditions influence party conflict on budget-related votes. Coefficients for unemployment, inflation, and the interaction term are in the expected direction and significant: unemployment and inflation reduce party dissimilarity and party votes when they are solitary problems; in tandem they increase these measures. Because the lagged party conflict terms are significant, the other variables in the model have both an immediate and a gradually decreasing longer-term impact on party conflict: the lagged endogenous variable can be interpreted as a form of a conventional distributed lag model (Ostrom 1990, 72–74). Though both the immediate and long-term impacts are important, for clarity I focus chiefly on the immediate impact. One percentage point of the unemployment gap lowers dissimilarity by 2.3% and party votes by about 6% at a zero inflation gap. Unemployment, when inflation is not a problem, reduces party conflict. But when both inflation and unemployment are problems, as in the stagflationist periods of the 1970s and early 1980s, party conflict rises. For example, in a stagflation-type year in which the unemployment gap is 3 percentage points and the inflation gap is 7 percentage points, a little more than half the long-term 17% boost in party voting is felt immediately; the remaining half affects party voting over the following decade.

Table 2 indicates how party conflict responds to recession-level unemployment. The table presents the immediate (that is, first-year) changes in both dissimilarity and party voting when the unemployment gap is at 2 percentage points. Given the gradually rising natural unemployment rate across time, a gap of this size reflects an official unemployment rate in the range of 7 to 8%. The "change" columns in the table make the central point about the macroeconomic context in an era of Keynesian consensus. When unemployment is at recession levels and inflation is low, party conflict—both dissimilarity and party voting—diminishes. But moving down the columns, Keynesian economic expectations are increasingly thwarted: higher inflation coincides with recession-level unemployment. The

TABLE 2

THE CONDITIONAL EFFECT OF THE UNEMPLOYMENT GAP
ON PARTY CONFLICT

	Party Dissimilarity		Party Votes	
Inflation Gap	Conditional Coefficient	Change in Dissimilarity	Conditional Coefficient	Change in Party Votes
0	−0.0457	−4.47%	−0.1221	−11.50%
2	−0.0215	−2.13	−0.0711	−6.86
4	0.0026	0.26	−0.0200	−1.98
6	0.0268	2.71	0.0311	3.16
8	0.0509	5.22	0.0822	8.57
10	0.0751	7.80	0.1333	14.26

Note: Entries in the "change" columns indicate the percentage change in party conflict for two percentage points of the unemployment gap at the given inflation gap. This level of the unemployment gap equates to an official unemployment rate of about 7 to 8%.
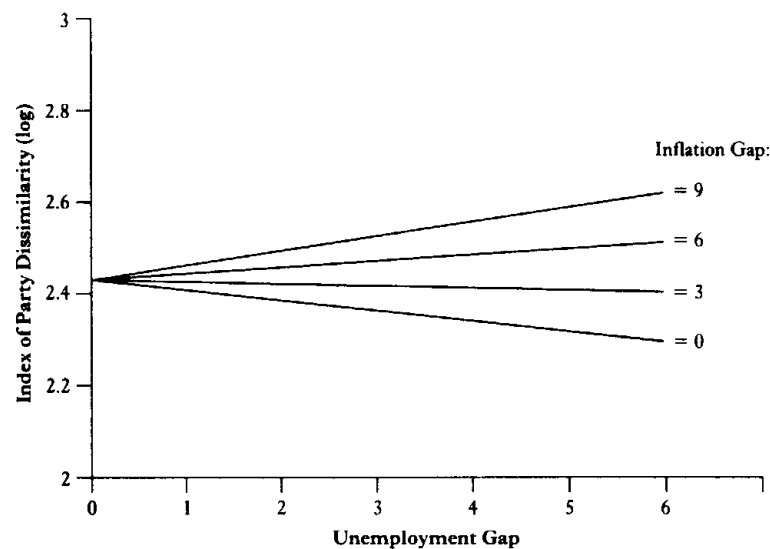
impact on party conflict is clear. Party dissimilarity is no longer suppressed as the inflation gap reaches about 3.8 percentage points; for party voting this break-even point is about 4.8 points. The less the economy behaves in a Keynesian fashion, the more the ground opens for party conflict. At higher levels of inflation, beyond the break-even points, party conflict is boosted by the simultaneous problems of inflation and unemployment.

Figure 2 reinforces the findings from table 2 and indicates the level of party dissimilarity to expect given alternative mixes of the inflation and unemployment gaps. (All other variables are set to 0.) With the inflation gap at the relatively low level of 0 or 3, more unemployment reduces dissimilarity as standard Keynesian remedies dominate budget-related votes. At higher stagflationist inflation-gap levels of 6 or 9, unemployment ceases to be a drag on party conflict: additional unemployment is associated with higher levels of conflict as Keynesian nostrums fail to provide policy guidance. And at any given level of the unemployment gap, conflict is higher when conditions become more stagflationist. Figure 3 shows the same relationships for party voting.

CONCLUSION

Explanations of aggregate party voting patterns have relied principally on variables representing the political and structural contexts within which the congressional parties work. While these contexts are important, they do not constitute the only relevant arenas for the parties. The parties also operate within the macroeconomic and political settlement achieved in the 1930s and 1940s. Characterized by such features as automatic stabilizers, uncontrollable spending,

FIGURE 2

PARTY DISSIMILARITY AT ALTERNATIVE INFLATION
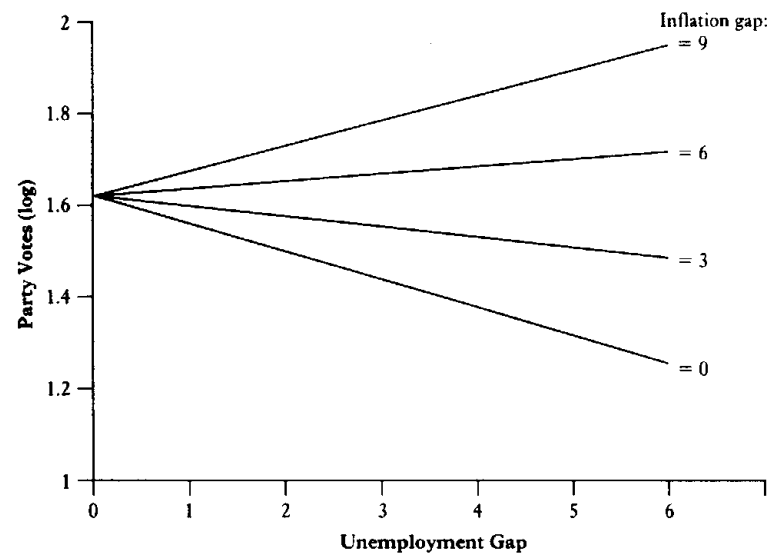AND UNEMPLOYMENT GAPS

Note: This graph plots the conditional effect of unemployment on the index of party dissimilarity at alternative values of the inflation gap. Each line represents the value of the intercept term plus the increase or decrease in party dissimilarity produced by the conditional unemployment effect. All other independent variables are set to 0.

FIGURE 3

PARTY VOTES AT ALTERNATIVE INFLATION AND UNEMPLOYMENT GAPS

Note: This graph plots the conditional effect of unemployment on party votes at alternative values of the inflation gap. Each line represents the value of the intercept term plus the increase or decrease in party votes produced by the conditional unemployment effect. All other independent variables are set to 0.

indexation, relatively limited legislative control over monetary policy, and a broad Keynesian consensus about macroeconomic management, this "fiscal state" settlement had concrete implications for congressional parties. Many potentially divisive issues remained largely off the agenda. And Keynesian understandings decreased party conflict when the economy operated as the Keynesians suggested it should. When economic performance became less consistent with Keynesian ideas, the window opened for a resurgence in party conflict.

The analysis presented here suggests that each of these contexts—political, structural, and macroeconomic—helps explain the decline and resurgence of congressional party conflict. In the mid to late 1970s and the 1980s, the immediate and long-term effects of the decreasing conservatism of southern Democrats, the slightly increasing size of the Democratic majority, the introduction of reconciliation, and the coincidence of high inflation and high unemployment stimulated party conflict. Post-midterm sessions also boosted conflict as did the chronological distance from the Vietnam War. And despite the common argument

in past studies that divided government diminishes party differences, the divided government of the 1980s did not depress party conflict.

One implication of these findings is that voters looking for dramatic alternatives from the parties during recessions or spurts of inflation were likely to be disappointed: party distinctions softened during critical periods of economic stress. To the parties there was a clear tradeoff between unemployment and inflation, and the fiscal apparatus of the postwar state provided the tools with which to structure this tradeoff. When the Keynesian formula lost its allure, however, voters were presented with somewhat more distinctive offerings from the parties. For both Democrats and Republicans the fiscalization of politics in the 1980s—a direct result of the breakdown of the Keynesian model—provided an opportunity to explore and promote new relations of state and economy. As the founding party of the postwar macroeconomic system, Democrats struggled to construct another compelling approach. Budget balancing, industrial policy, and aggressive trade policy were each touted as a possible policy direction for the party. Republicans turned fitfully toward supply-side economics.

Increased party conflict in the 1970s and 1980s failed to produce a resurgence of party support in the public, either in support for a particular party or in general beliefs that parties were useful and capable institutions. If the public thought about economic issues in a presidential-plebiscitary manner, nicely divergent policies on economic management alone would not gain stable support for a congressional party. The public would need to believe that the congressional parties controlled key policy areas. This dilemma implies that reviving political parties in the public requires fundamental changes in state-economy relations and new public perceptions about where to assign policy responsibility. By 1995, of course, the Republican party was hard at work dismantling the postwar political settlement initiated by the Democrats, attempting to implement just such fundamental changes. We should expect that future party conflict will be influenced by this new context.

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