Toward a Broader Understanding of Presidential Power: A Reevaluation of the Two Presidencies Thesis

Brandice Canes-Wrone Princeton University
William G. Howell University of Chicago
David E. Lewis Princeton University

An enduring and controversial debate centers on whether there exist “two presidencies,” that is, whether presidents exercise fundamentally greater influence over foreign than domestic affairs. This paper makes two contributions to understanding this issue and, by extension, presidential power more generally. First, we distill an institutional logic that both supports the two presidencies thesis and implies that Congress has incentives to delegate foreign policy powers to the president. Accordingly, the logic suggests that empirical analysis should incorporate these incentives. Our second contribution, then, is to test for the existence of two presidencies in a domain that Congress cannot delegate, budgetary appropriations, and a domain that explicitly incorporates delegation, agency creation. Consistent with expectations, we find presidents exercise considerably greater influence over foreign policy.

Political observers regularly argue that presidents exert more power in foreign and defense policy than in domestic policy. Commentators Jack Germond and Jules Witcover once summarized a strong version of this perspective, maintaining presidents have “a much freer hand in dealing with foreign affairs, with Congress largely reduced to the role of kibitzer.” Similarly, the Daily Telegraph recently asserted that, “a president can revolutionize foreign policy, but domestic policy requires the close co-operation of Congress.” This view has also been expressed by scholars. Dahl (1950, 58) observed many years ago that the president “has long enjoyed substantial discretion” in foreign policy. Likewise, Fenno (1973, 212) argued that members of the Foreign Affairs committee “help make policy in an environment strongly dominated by the President,” a depiction he did not ascribe to domestic-oriented committees.

In his 1966 article “The Two Presidencies,” Wildavsky provided quantitative evidence for this line of thinking, declaring in memorable language that the United States has one presidency for domestic matters along with a second, more powerful presidency for foreign affairs. The quantitative evidence established that between 1948 and 1964 Congress enacted 65% of presidents’ foreign policy initiatives and only 40% of domestic ones. Wildavsky further assessed that “in the realm of foreign policy, there has not been a single major issue on which presidents, when they were serious and determined, have failed” (1966, 7). Clearly, the same could not be said for domestic policy.

Wildavsky’s article ushered in a veritable industry of systematic tests of whether presidents fare better on roll-call votes and other legislative activities in foreign versus domestic policy. These subsequent studies, however, provided scant support for the two presidencies thesis. As a result, Wildavsky...
ultimately declared the two presidencies “time and culture bound,” an artifact of a bipartisanism in foreign affairs resulting from “shared values” Americans possessed on foreign policy during the 1950s (Oldfield and Wildavsky 1989, 55, 56).

We revisit the two presidencies thesis and argue that it still appropriately describes presidential power. Furthermore, we reconcile this argument with the lack of evidence for it in earlier analyses. To do so, we review the institutional logic of two presidencies and then examine data that permits a fairer test of its claims. We argue that presidents have more influence in foreign than domestic affairs, but that the factors producing this differential have given Congress the incentive to delegate foreign policy powers to the president over time. This delegation has occurred both through explicit congressional action and a lack of a response to presidents’ efforts to secure these powers independently. Consequently, analyses of legislative roll-call votes have progressively become a limited, and arguably inappropriate, test of the two presidencies thesis. Indeed, because members of Congress actually vote on foreign policy initiatives with less and less frequency, evidence for the two presidencies in roll calls should have diminished for reasons having little to do with the overall influence presidents wield in the two domains.

Our empirical analyses utilize data that avoid the bias caused by such explicit and implicit congressional delegation. We examine one domain that cannot readily be delegated to the president (the enactment of budget appropriations) and another that directly involves policy decisions about delegation (the design of administrative agencies). In both instances, the findings imply that presidents exercise significantly greater influence over foreign than domestic policy. We conclude that evidence in support of the two presidencies can be found when examining the larger institutional framework within which the president and Congress operate. More generally, our findings highlight the importance of accounting for this larger institutional framework when analyzing questions of presidential power.

The Search for Two Presidencies

From the outset, it is worth clarifying that the two presidencies thesis has been subject to different interpretations. While the most common is that presidents exercise more influence in foreign than domestic policy, some work argues the thesis entails a high absolute level of presidential power in foreign affairs. We do not assume the hypothesis has this implication. Nor do we assume that presidential power in either domain is greater or weaker than that of Congress. We simply claim that the thesis requires presidents to exercise more influence over policymaking on foreign than on domestic issues.

Even by this modest formulation, the two presidencies thesis receives little support in work that analyzes legislative behavior with quantitative data. In fact, literally scores of studies cast doubt on the paradigm. Early criticisms centered on identifying the most important roll-call votes. Sigelman (1979), for instance, shows that between 1957 and 1978, a two presidencies effect did not exist on roll calls that Congressional Quarterly coded as key votes. Zeidenstein (1981) corroborates Sigelman for 1957–80, although he finds a two presidencies effect on key votes in the Senate for Republican presidents.

A separate class of challenges suggests that the thesis may be time bound. To some extent, these criticisms stem from Wildavsky’s original reasoning, which emphasized the advent of the Cold War as a cause of bipartisanship in foreign affairs. Peppers (1975) and LeLoup and Shull (1979), for instance, show that the difference between presidents’ legislative success in foreign and domestic policy weakens substantially in the decade following Wildavsky’s original article. Likewise, Edwards (1986) finds no support for the thesis in the nonunanimous roll-call votes of the Carter and Reagan administrations. Sullivan (1991), who examines roll calls that involved presidents’ legislative priorities between 1953 and 1976, does provide some evidence of a modern two presidencies effect. Because he does not report statistical significance tests, however, it is unclear whether the effect is significantly different from zero. Cohen (1991) offers further confirmation of a time-bound effect by examining for each decade of 1861–1970 presidents’ legislative success at achieving proposals in State of the Union addresses. He concludes that the effect of the two presidencies vanished with the Johnson administration.

More recent work continues to find that the two presidencies effect was time-bound. Schraufnagel and Shellman (2001) argue that analyses of roll-call votes in the modern era offer no support for the two presidencies hypothesis. Fleisher et al. (2000) similarly establish that foreign policy has become less bipartisan over time. Finally, Prins and Marshall

4Similarly, Fleisher and Bond (1988) find that the two presidencies effect is limited to minority presidents on conflictual roll-call votes.
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(2001) find that bipartisan support for the president in foreign affairs declined dramatically after 1973.5

Clearly, an extensive body of analyses cast doubt on the two presidencies hypothesis. Yet there are reasons to believe the effect may still exist. Peterson (1994), for instance, offers a theoretical rationale for presidents’ preeminence in foreign affairs. Prominent work in international relations similarly argues that domestic politics exert relatively little influence on the president in international matters (e.g., Gowa 1999).6 These studies are not, however, focused on whether presidents have more power in foreign versus domestic affairs. Nor do they explain the lack of evidence for the two presidencies in previous analyses.

Another reason to believe the effect still exists is that a few studies demonstrate presidential politics differ between domestic and foreign policy, indicating presidential influence may differ as well. For example, Lewis (1997) shows that presidential speechmaking varies between the domains, with presidents less likely to use foreign policy speeches to implore voters to pressure Congress. Likewise, Marshall and Pacelle (2005) find that the share of congressional seats held by the president’s party influences the number of annual executive orders on domestic policy but not on foreign policy. Rudalevige (2002) offers more direct evidence in his study of White House centralization of policy formulation. Yet Rudalevige acknowledges that his data exclude certain types of controversial foreign policy proposals because his primary purpose is not to assess presidential influence in foreign versus domestic affairs; in fact, he cautions that the analysis “should not be read as a conclusive test of the ‘two presidencies’ thesis” (2002, 140). Finally, Yates and Whitford (1998) find that the Supreme Court is more likely to defer to presidents on foreign policy matters.

Thus the search for the two presidencies has produced scores of direct tests that indicate the hypothesis is incorrect as well as, by comparison, a small amount of largely indirect evidence in its favor. Arguably for this reason, the conventional wisdom has become that the two presidencies thesis no longer characterizes American politics. Recently summarizing the state of affairs Fleisher et al. declared “the demise of the two presidencies” (2000, 3). At the same time, the fact that direct tests of the thesis have revolved around roll-call votes has not gone unnoticed by scholars. Lindsay and Steger, for example, argue that because the study of the two presidencies has focused heavily on roll-call voting, the possibility has remained that the “phenomenon persists” (1993, 114).

Why might the focus on roll-call voting be problematic? These reasons become clear after delineating the institutional factors that support the existence of the two presidencies.

Logical Underpinnings

A seemingly natural place to begin any discussion of presidential power is with the Constitution. And as one might expect, a number of recent works have suggested that the Constitution grants the president exceptional authority over foreign affairs (e.g., Yoo 2005). By designating the president as commander-in-chief, granting him the responsibility of receiving ambassadors, and permitting him to negotiate treaties, the Constitution would appear to bestow upon the president exceptional authority over foreign policy. Such claims, however, are not without controversy. Other scholars argue that the Founders never intended to grant presidents plenary powers in foreign policy (e.g., Adler and George 1998; Fisher 2005). These scholars make much of the facts that the most explicit designations of war powers are found in Article I (which pertains to Congress) not Article II (which pertains to the president), and that those war powers that are located in Article I primarily concern ceremonial functions.

Fortunately, we need not resolve debates about constitutional interpretation in order to establish a rationale for the existence of two presidencies. At least three institutional features of our system of separated powers lend the president additional influence in foreign affairs—presidents’ first-mover advantages in the international environment, the collection and dispersal of information about foreign policy, and the different electoral incentives of congressional members and presidents. These factors work individually as well as produce strategic complementarities. Moreover, the factors provide incentives for Congress to delegate foreign policy authority to the president. Before focusing on these implications, however, we briefly review each institutional advantage separately.7

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5Additionally, see Shull (1991) for an edited volume that contains multiple chapters critiquing the two presidencies thesis.


7We are not claiming to be the first to notice these advantages, and the various citations underscore this point. Yet because the vast majority of work on the two presidencies remains fixated on measurement issues, and argues that the thesis no longer holds, we believe it is useful to outline an institutional logic.
First-Mover Advantages in the International Environment

When contemplating policy moves, presidents can submit a proposal to Congress; or, when doing so does not explicitly infringe upon existing law, they can take the lead in setting policy. In the modern era, presidents increasingly have chosen the latter alternative (Howell 2003; Mayer 2001). Using executive orders, national security directives, proclamations, and executive agreements, presidents have issued all kinds of policies without Congress’s formal endorsement. This ability to move first lends the president considerable influence over policymaking generally (Howell 2003). As Hamilton ([1793–94] 1845) argued in the famous Pacificus-Helvidius debates, the president “may establish an antecedent state of things, which ought to weigh in the legislative decision.” And in Federalist Paper No. 74 Hamilton further recognized that “the exercise of power by a single hand” is especially important to the conduct of foreign affairs. Given their unilateral powers, presidents can respond quickly to foreign conflagrations, negotiate peace settlements between other nations, monitor the development of nuclear programs, and retaliate against terrorist attacks—usually without first securing the formal consent of Congress or the courts. It is little wonder that in virtually every system of governance, executives (not legislatures or courts) mobilize their nations through wars and foreign crises. Ultimately, it is their ability to act unilaterally, and hence expeditiously, that enables them to do so.

Speaking before the Senate Subcommittee on Separation of Powers in the early stages of the Vietnam War, Senator J. William Fulbright reflected on the expansion of presidential influence over foreign policy. His observations are worth quoting at length:

In the main… it has been circumstance rather than design which has given the executive its great predominance in foreign policy. The circumstance has been crisis, an entire era of crisis in which urgent decisions have been required again and again, decisions of a kind that the Congress is ill-equipped to make with what has been thought to be the requisite speed. The President has the means at his disposal for prompt action; the Congress does not.8

Because they can deploy a wide range of unilateral directives, presidents alone can address foreign crises with the requisite “energy” and “dispatch,” to use Hamilton’s language (Federalist Paper No. 70). Aware of their institution’s deficiencies, members of Congress often grant the president considerably more authority, funding, and administrative power in foreign than domestic affairs.

Other features of the international environment make it especially difficult to reverse foreign policies presidents have unilaterally instituted. After all, once a foreign operation is underway, for any number of reasons former critics may be reluctant to end it. The reputational costs of prematurely ending an operation may be prohibitive. The public may have rallied behind the president. Or it may simply be impossible to reverse actions already taken.9

Of course, Congress will not stand idly by as presidents direct any type of foreign policy initiative (see, e.g., Howell and Pevehouse 2007; Lindsay 1986; Mayhew 2000). Nor does the term “unilateral action” imply a president can simply count on the bureaucracy to act exactly as he desires (see, e.g., Carpenter 2001; Whittington and Carpenter 2003). Nonetheless, the issue is not whether a first-mover advantage means that presidents can get precisely what they want. Instead, we simply argue—like Hamilton and others—that presidents benefit from antecedent action and are more able to obtain it in foreign than domestic affairs.

Information

Even when presidents cannot act unilaterally, they retain special advantages over foreign policy. A key reason is information. When members of Congress challenge the president’s foreign policy, they often lack the information required to put up a decent fight. Presidents, especially during the modern era, know considerably more than Congress about foreign policy affairs—about the relevant players in different regions of the globe; about the strategic consequences of different policies; about the status of ongoing diplomatic negotiations; about the effects of covert operations. As Dahl recognizes, the president retains a “quasi-monopoly over important information” involving foreign affairs (1950, 62). In domestic affairs, by contrast, where members of Congress can see first-hand the effects of different policies and can turn to any number of interest groups for independent assessments, informational disparities quickly dissipate. Schlesinger summarizes this asymmetry, noting that in domestic affairs members of Congress


9For more on how the international environment augments presidential power, see Peterson (1994).
informational asymmetries have generated mixed results, and in some cases have arguably strengthened the president’s hand (Fisher 2004; Rudalevige 2005). On the whole, Congress’s periodic efforts to collect more and better foreign policy information pales in comparison to their relentless drive to monitor domestic policymaking.

**Electoral Incentives**

Even if the president lacked informational and first-mover advantages in foreign affairs, distinctive electoral incentives across the two branches of government encourage greater presidential influence over foreign than domestic policy. The president, as the political actor most visibly responsible for the national welfare, is more likely than any given congressional member to be rewarded or blamed for the state of foreign policy. “Peace and prosperity,” as the cliché goes, contribute most to the president’s electoral fortunes. Consistent with this claim, research shows that foreign policy is persistently a major factor in presidential elections, despite the fact that these issues commonly have low public salience (e.g., Aldrich, Sullivan, and Borgida 1989). By comparison, foreign policy is not as large a factor in congressional elections; even studies that suggest issues strongly influence congressional elections focus primarily on domestic ones (e.g., Canes-Wrone, Brady, and Cogan 2002; Jacobson 1996).

The interest group environment further contributes to these incentives. In domestic policy, active and involved interest groups monitor and provide information to Congress about virtually every issue. These groups also provide cues to voters and thereby affect electoral outcomes (e.g., Lupia 1994). By comparison, and as Wildavsky recognized, “in foreign policy matters the interest group structure is weak, unstable, and thin rather than dense” (1966, 10). Nor does this characterization appear to apply uniquely to the period in which Wildavsky was originally writing. In their list of issues populated by the greatest number of interest groups, Baumgartner and Leech (2001) identify just three in the top 30 as having substantial foreign policy content (defense, immigration, and China’s most favored nation status). On the

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10For more on the president’s privileged access to “confidential sources of information” in foreign affairs, see United States v. Curtis-Wright Export Corporation, 299 US 304 (1936).


12Notable examples include the 1972 Case-Zablocki Act and the reporting requirements of the 1973 War Powers Resolution.

13This difference in presidential and congressional incentives is only heightened when one considers a president’s incentives to build an historical legacy. Congressional members are not likely to be remembered by a particular vote on foreign policy legislation, while a president’s handling of foreign policy can have a large impact on his evaluations by historians and future generations.
whole, domestic policy presents a markedly denser interest group landscape. This difference gives members of Congress additional incentives to grant the president more of what he wants in foreign affairs and to focus legislative battles on domestic issues. Likewise, the difference helps explain why members of Congress have not done more to curtail the president’s larger structural advantages in foreign affairs.

**Implications for Delegation and Theory Testing**

First-mover advantages, informational privileges, and electoral incentives not only give presidents more power in foreign than domestic policy, they also encourage members of Congress to delegate more policymaking authority to the president in foreign than domestic affairs. The delegation occurs both through explicit action and passivity in the wake of presidents’ attempts to increase their power. Take electoral incentives. Since foreign policy is not as large a factor in congressional elections as is domestic policy, members have less reason to maintain strong control of this domain. Indeed, given the exacerbating demands on their time, members have reason to delegate those decisions that are unlikely to influence their reelection prospects and to focus instead on activities that enhance these prospects. Meanwhile, because voters—by comparison—do hold presidents accountable for foreign policy, presidents have cause to seize as much control as they can over the area. The first-mover and informational advantages of foreign affairs reinforce these incentives for active and passive congressional delegation. Rather than fight over decisions on which the president may have already initiated some action and can claim to be better informed, members will often delegate such decisions and instead focus on issues on which there is a more level playing field with the executive.

These arguments receive considerable support from research on delegation. For instance, Epstein and O’Halloran (1999, 198–200) find that Congress has been particularly likely to delegate foreign policy making authority and discretion to the president. In particular, Epstein and O’Halloran report that the policy areas where Congress has delegated the most authority with the fewest constraints are foreign affairs along with space and technology. Howell (2003) similarly shows that when presidents exercise their independent unilateral powers, members of Congress are less likely to amend or overturn foreign policy directives than domestic policy ones. Also, a wide body of research recognizes that during periods of war, Congress often chooses not to exercise its oversight functions or to prescribe legislatively any particular course of action—leading some scholars to conclude that members have abdicated their responsibilities over foreign policymaking (e.g., Fisher 2000; Koh 1990). Summarizing general trends in foreign policymaking, constitutional law professor Charles Black observes there “has been a flow of power from Congress to the presidency” (1974, 20).

Consequently, foreign policy decisions that once were made in Congress have progressively become the responsibility of presidents and their subordinates. Data from Clinton and Lapinski (2006), which extend through the 104th Congress, support this claim. These data indicate that the number of foreign policy enactments dropped steadily from 162 to 44 between the 80th and 104th Congresses, a decline of more than 70%. As a percentage of all legislative enactments, foreign policies during this period fell by over 50%. Given that the federal government remains highly involved in foreign affairs, a considerable amount of foreign policy making appears to have shifted out of Congress. It is little wonder, then, that the success rates of presidents on foreign and domestic policy roll-call votes have converged over time. To appropriately test for the existence of two presidencies, we need to examine either policy decisions that cannot be delegated by Congress or ones that explicitly incorporate delegation. The next section analyzes both types of data.

**Testing**

We examine fiscal year 1969–2000 appropriations data in addition to 1946–2000 agency creation and design data. The budget data enable the examination of a policy that, according to the Constitution, cannot easily be delegated to the executive. Thus while the enactment of budget legislation obviously

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14For a similar argument, see Marshall and Pacelle (2005).
15See Huber and Shipan (2002) for a thorough review of recent work on legislative delegation.
16Clinton and Lapinski truncate their analysis to an earlier congress because they lack data on variables other than legislative enactments. It should also be noted that a declining percentage of foreign policy enactments does not necessarily mean a declining percentage of foreign policy roll-call votes. Still, because enactments are a better measure of policy output than roll-call votes, the Clinton and Lapinski data support the claim that Congress has become less involved in foreign policy.
involves a roll-call process, we should still find support for the two presidencies if the institutional logic is correct.\(^\text{17}\) The data on administrative agencies, meanwhile, entail policy negotiations about delegation to the president within the administrative apparatus. Given our arguments about Congress’s and presidents’ incentives for delegation in foreign versus domestic affairs, we would expect presidents to be more successful in securing administrative power in foreign policy.

While the specifics of each test are described in separate sections, we discuss fundamental similarities at the outset. In each case, the dependent variable captures a component of presidential influence, and the independent variables either assess the degree to which this influence differs for foreign affairs or controls for other factors that could affect policymaking. Specifically, the set of shared control variables and the key explanatory variable, Foreign Affairs, are defined as follows.

**Foreign Affairs**

We use the categorization laid out by the Budget Enforcement Act (BEA) of 1990 to classify observations as foreign or domestic affairs. Our key variable equals “1” for those observations categorized as foreign or defense by the BEA and “0” for observations categorized as domestic.\(^\text{18}\) Examples of foreign and defense programs according to the BEA coding include Department of Defense procurement and personnel, State Department operations, and foreign military assistance. Naturally, some foreign and defense programs have domestic implications, and to account for the possibility of such “mixed” foreign/domestic purposes, we have conducted auxiliary analyses with such a mixed category (which included programs like defense procurement and military construction).\(^\text{19}\) These tests produced substantively similar results, which like the results of all alternative analyses are available upon request.

**Unified Government**

**Unified Government x Foreign Affairs.** Following Wildavsky’s (1966) emphasis on bipartisanship as a key predictor of whether the president will enjoy greater influence in foreign policy, we measure congressional ideology with a variable based on the partisan affiliations of the president and Congress. Unified Government equals “1” if the president’s party has a majority of members in both chambers of Congress and “0” otherwise. Given the conventional wisdom that differing success rates may stem from bipartisanship in foreign affairs, we include an interaction term that allows us to assess whether partisanship affects executive influence differently in foreign policy.\(^\text{20}\)

**War**

This variable equals “1” for the years of the Korean, Vietnam, and First Gulf Wars (1950–53, 1964–73, 1990–91) and “0” otherwise. The factor controls for the possibility that the president may have greater influence during times of war than otherwise.

**President Indicators**

To account for the unique characteristics of administrations, we include a set of indicators for the presidents. Because unified government is rare during the time periods of each analysis, there is a strong possibility of collinearity among the indicators for presidents who served during unified government and the unified government main effect. We accordingly analyze the data with and without the president indicators.\(^\text{21}\)

Each test also contains a set of subject-specific controls, which are described in the sections on the individual analyses.

\(^\text{17}\)Moreover, as we will soon describe, our analysis does not involve a dichotomous assessment of whether presidents were successful in a particular roll call, but instead the congruence of presidential requests with legislative enactments.

\(^\text{18}\)We used the Cogan (1998) Federal Budget database to assess the BEA coding of each observation.

\(^\text{19}\)This analysis utilized an independently collected dataset, which is from Kiewiet and McCubbins (1991). The Kiewiet and McCubbins data utilize a more microlevel unit of bureaucratic organization, and accordingly these data enable coding some bureaus within a department as “mixed” while others as foreign and domestic. From their data, the mixed category included all Department of Defense bureaus in addition to the Atomic Energy Commission, Federal Energy Regulatory Commission, Nuclear Energy Commission, Bonneville Power Administration, Coast Guard, and Federal Trade Commission.

\(^\text{20}\)We have also estimated models that measure congressional ideology with the percentage of members in the president’s party in the House/Senate, and with the absolute difference between the president’s and median House/Senate member’s ideology according to Poole’s (1998) Common Space scores. These results provide further support for the two presidencies thesis.

\(^\text{21}\)We aimed for parsimony in our list of controls. However, we have run alternative analyses with the following variables, which did not alter the key finding: whether the Congressional Budget and Impoundment Act of 1974 had been passed; presidential approval; foreign affairs interacted with war; and economic indicators including GDP, unemployment, and inflation.
Budgetary Politics

Although budget appropriations have not been used to test the two presidencies thesis, a range of work has examined presidential influence with such data (e.g., Canes-Wrone 2006; Kiewiet and McCubbins 1991). Research establishes that the budgetary process involves active bargaining between the president and Congress, at least since the middle of the twentieth century (e.g., Brady and Volden 1998; Krehbiel 1998). Indeed, the budget is the battleground upon which many of the most significant policy debates are fought. Military procurement, environment protection, and Medicare are all budgetary programs, as are foreign aid, social security, and Pell grants.

Our specific budget data involve presidents’ proposals and enacted budget authority, by agency, as listed in the Current Action tables of executive budgets. With a few exceptions worth detailing, these departments and agencies consist of bureaus funded either by domestic appropriations or by foreign and defense appropriations. The two major exceptions are “Funds Appropriated to the President” and “Other Independent Agencies,” which we eliminated from the data.22 The title “Current Action” refers to the fact that the tables include only the spending that requires appropriations legislation. Entitlements such as social security and military retirement, which do not require annual legislation for appropriations, are thus excluded from the data. President Johnson initiated the Current Action table in his fiscal year 1969 budget, and each successive president through Reagan included the table in his executive budgets.23 Using the methodology assumed by the existing Current Action tables, we extended the time series through the fiscal year 2000 budget, creating a panel data set for fiscal years 1969–2000.24 The panel includes 607 agency-year observations.25

In addition to entailing a policy domain that Congress cannot readily delegate, the budget data offer several advantages. First, the series does not include the immediate post World War II years, when Wildavsky and other scholars claim the two presidencies to be “culturally bound.” In fact, the years are ones for which other scholars have found inconclusive evidence for the existence of two presidencies. Second, because the president must by law put together a budget each year, the results cannot simply be a function of the fact that presidents have taken positions on different issues over time. Finally, these data permit finer comparisons of policy outcomes and presidential preferences than the typical roll-call analysis, which considers whether the president’s foreign policy initiatives are more or less likely to pass than domestic policy initiatives.

Model and Estimation. The specification takes the following form for each agency $i$ and fiscal year $t$:

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\text{Presidential Budgetary Success}_{it} = f(\text{Foreign Affairs}_i \times \text{Unified Government}_t, \text{War}_t, \text{President Indicators}_t, \text{Deficit}_t). 
$$

We base our measure of budgetary success on the traditional measures of presidents’ legislative success, which account for whether the president’s stated position is supported by Congress. Specifically, the measure equals negative one multiplied by the absolute difference between the percentage change in the president’s request (over spending last year) and the percentage change in appropriations,

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-|\% \text{Change President’s Request}_{it} - \% \text{Change Enacted Appropriations}_{it}|.
$$

The lower the value, the less budgetary success the president achieved. This absolute difference formulation
corresponds to spatial models of budgetary negotiations; the further is the outcome from the president’s preferred position, the less utility the president receives (e.g., Canes-Wrone 2006; Ferejohn and Krehbiel 1987). We have also estimated models that account for the potential endogeneity of the president’s request (i.e., the possibility that presidents adjust their proposals in anticipation of congressional responses) and received similar results.26

The only independent variable that is specific to the budgetary analysis is Deficit, which equals the previous year’s deficit in 1992 dollars. The variable accounts for the effect that larger deficits may inhibit flexibility in spending and therefore limit the president’s influence.

To account for the panel nature of the data, we follow Beck and Katz (1995) and employ OLS with panel-corrected standard errors. We have tested for autocorrelation using the Wooldridge test for panel data, which fails to reject the null of no autocorrelation ( \( p > 0.7 \)). To account for the fact that the agencies vary greatly in size, we weight the observations according to the spending in the agency in the previous year. Notably, though, our results hold regardless of whether weights are employed.

**Results.** Table 1 presents the findings, which provide strong support for the two presidencies thesis. Regardless of whether the president indicators are included, the coefficient on Foreign Affairs is significant at conventional levels ( \( p < 0.05 \), two-tailed). Moreover, the magnitude of the effect is notable: the president’s requested change in budgetary appropriations is approximately 8 percentage points closer in foreign and defense agencies than it is in domestic ones. This means that for a foreign or defense agency with previous spending of one billion dollars, a president’s requests will be eighty million dollars closer to enacted appropriations than for a comparable domestic agency.

Interestingly, this effect is similar to that of unified government. Depending on whether the president indicators are included, presidents’ budgetary success is between 7 and 10 percentage points greater when the president and Congress share partisan affiliations. The coefficient on the model without the president indicators is not significant at conventional levels. However, because the indicators are jointly significant ( \( p = 0.03 \)) and therefore ought to be included, we do not make much of this result.

In both specifications, the interaction of foreign affairs and unified government is insignificant, suggesting that bipartisanship produces a similar impact in foreign and domestic affairs. The negative sign admittedly lends support to the argument that the two presidencies effect is lower during periods of bipartisan-ship. It is accordingly worth emphasizing that even accounting for any such impact, we find evidence for the existence of the two presidencies. That is, our results indicate that the effect does not disappear when bipartisanship in foreign affairs declines or collapses.

The effect of war is in the expected direction but is never significant. The timing of the budgetary process—i.e., the fact that it extends over the course of almost a year—arguably makes budget data ill-suited to test for the impact of relatively short wars or uses of force. The first Gulf War (August 1990 to February 1991), for instance, involved only small portions of the budgetary processes of fiscal years 1991 and 1992. Consistent with this logic, if we separate out the first Gulf War from the Vietnam War, we find some evidence that the Vietnam War increased the president’s budgetary success.27

In the case of the president indicators, no effect is significantly different than that of Ford, the omitted category/president, but a few pairwise comparisons are significant. In particular, Nixon is less successful than Reagan, Bush, or Clinton. Parsing the data into Nixon’s two terms suggests that the observed effect is primarily caused by his low success during the second term, which coincided with the most intense period of the Watergate scandal.

Finally, the deficit variable is signed as expected but only significant in the specification without the president indicators. We have examined whether this effect is asymmetric based on whether the president proposes an increase or decrease, and these results suggest that the deficit negatively affects presidential success when presidents want to increase spending but has no effect otherwise. Importantly, even accounting for the asymmetry, the effect of foreign affairs remains positive and highly significant.

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26More specifically, we used a specification based on Kiewiet and McCubbins (1988, 1991), in which change in appropriations is regressed upon the predicted values from a first-stage equation in which the dependent variable equals change in the president’s request. Our instruments included whether the president was serving a second term, Poole’s (1998) presidential Common Space score, this score interacted with whether the year involved a major presidential scandal and whether the year entailed a presidential election. Further details and the results are available upon request.

27Additionally, war appropriations are commonly funded through supplemental appropriations, and our data focus on the regular appropriations process. Therefore, the data are not designed to test presidential influence over war appropriations themselves.
Overall, the findings provide strong support for the argument that presidents have greater influence over foreign than domestic policy. Presidents achieve more budgetary success on foreign policy, and this result holds even when accounting for the possibility of greater bipartisanship in foreign affairs. Table 1 thus suggests that the two presidencies effect has not entirely left the legislative arena; in a domain for which the executive branch cannot assert or readily be given full control, the effect remains substantively strong. Perhaps, then, roll-call analyses would evince a stronger two presidencies effect if all foreign policy decisions had to go through the legislative branch.

### Administrative Politics

In November of 2002, Congress and the president added to the executive branch a fifteenth cabinet department, the Department of Homeland Security (DHS). Proposals for such an agency had circulated in Congress at least since the Clinton Administration, but it was the September 11, 2001 terrorist attacks that gave them a renewed sense of urgency.\(^{28}\) Hoping to maximize executive control over this policy domain, Bush argued in the Spring of 2002 that the existing Office of Homeland Security (OHS), which he previously had established unilaterally, would adequately organize national efforts.\(^{29}\) Facing widespread sentiment in favor of granting the office greater prominence within the executive branch, Bush later introduced a proposal similar to one previously sponsored by Senator Joseph Lieberman (D-CT).\(^{30}\) He insisted, however, that the department secretary retain greater control over personnel, spending, and information flows than the Lieberman proposal specified. Republican gains in the 2002 midterm congressional elections helped resolve partisan disagreements about these proposals in the president’s favor. Of particular importance were provisions on the hiring, firing, and promoting of personnel; exemptions from government employee unions; and exemptions from typical civil service protections.\(^{31}\)

Since the creation of the DHS President Bush has sought to extend these personnel flexibilities to the

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### Table 1 Presidential Budgetary Influence in Foreign versus Domestic Affairs, FY 1969-FY 2000

<table>
<thead>
<tr>
<th></th>
<th>Foreign Affairs</th>
<th>Unified Government</th>
<th>War</th>
<th>Foreign Affairs × Unified Government</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.080 (0.022)</td>
<td>0.077 (0.021)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Subject-Specific Controls and Constant</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deficit</td>
<td>-0.021 (0.014)</td>
<td>-0.016 (0.007)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Constant</td>
<td>-0.144 (0.091)</td>
<td>-0.107 (0.019)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>607</td>
<td>607</td>
<td></td>
<td></td>
</tr>
<tr>
<td>$x^2$</td>
<td>29.888</td>
<td>21.758</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Root Mean Squared Error</td>
<td>0.271</td>
<td>0.273</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Dependent variable = - (% Change Presidential Proposal - % Change Enacted Appropriation). Panel corrected standard errors in parentheses. Omitted president indicator is Ford. Chi-squared statistic is test of joint significance of the coefficients ($p < 0.01$ for both models).
Department of Defense and beyond. In each case, the president aspired to maximize his control over personnel and agency operations.

The political origins of the DHS reveal the vital importance that presidents place on the design of administrative agencies. Had the president not actively sought to reduce civil service protections, for instance, he would have a more difficult time firing Homeland Security officials who did not agree with his policies. More generally, in the act of creating the bureaucracy, Congress and the president shape how much influence the president has over the implementation of foreign and domestic policy. If the two presidencies thesis is correct, the structure of foreign policy agencies should grant presidents more administrative control than does the structure of domestic policy agencies.

Existing research identifies a number of agency characteristics that enhance administrative control (Epstein and O’Halloran 1999; Lewis 2003; Moe 1989; Zegart 1999). First, agencies headed by a single administrator allow for more presidential influence than ones directed by commissions. Agencies headed by administrators are a priori easier for presidents to direct since they provide one point of contact and accountability for the president and his subordinates, while commissions dilute accountability and require presidents to build coalitions in order to influence the policy of the agency. Second, requirements on partisan balance can affect presidential control, as presidents can more easily influence the policies of an agency if not required to appoint a given balance of Republicans and Democrats to head it. Likewise, because presidents would generally prefer to fire appointees at will, agencies with appointees who do not have fixed terms further augment presidential control. Fourth and finally, agencies in the Executive Office of the President (EOP) or the cabinet are usually more amenable to presidential influence. Agencies outside the EOP or cabinet are often more visible to Congress and interest groups; they are also less subject to the direction and monitoring of the president and his cabinet lieutenants.

We can further test the two presidencies thesis, then, by simply comparing the design of foreign and domestic agencies. Extending through 2000 Lewis’s (2003) data on federal agencies created since 1946, we identify 407 executive branch agencies created during this time period, 98 (24%) of which are coded as foreign or defense according to the Budget Enforcement Act of 1990. Notably, on each of the four delineated characteristics foreign agencies appear to grant presidents more administrative influence than do domestic agencies, which are more likely to have commissions, party balancing requirements, and fixed terms and to be located outside of the Executive Office of the President and the cabinet. Moreover, these differences are cumulatively significant; fully 22% of domestic agencies have at least two of the restrictions, as compared to just 12% of the foreign agencies ($p = 0.06$, two-tailed).

Of course, the fact that the foreign policy bureaucracy is more amenable to presidential direction than the domestic policy bureaucracy is not an accident. It is the result of struggles and negotiations between the Congress and president over the details of agency structure. The president, naturally, will generally prefer agencies that give him more discretion. Congress, on the other hand, has reasons to limit a president’s discretion (Lewis 2003). Our institutional logic suggests that even if one controls for other factors that may affect these executive-legislative negotiations—such as the partisan composition of Congress and the individual president—chief executives will tend to get more of what they want for the foreign policy agencies than the domestic ones. To see whether this is indeed the case, we examine the conditions under which the 407 agencies were created.

**Model and Estimation.** We estimate the following model for each agency $i$:

$$
\text{Presidential Agency Design}_i = f(\text{Foreign Affairs}_i, \text{Unified Government}_i, \text{War}_i, \text{President Indicators}_i, \text{Line in the Budget}_i, \text{Adjudicative}_i, \text{Created by Statute}_i).
$$

(2)

The dependent variable is the sum of the four previously described agency characteristics that enhance presidential control: whether the agency is headed by an administrator versus a commission; whether the president can make appointments without being restricted by rules on partisan balance in the agency; whether the president has the freedom to

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32For a good review see Singer (2005).

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33We exclude the 10 agencies that are in the legislative and judicial branches, as well as fourteen agencies for which we could not find a creation date. Including the 10 agencies created in the legislative and judicial branches, all of which are domestic agencies, only strengthens our results.
remove an agency head at any time versus being constrained by fixed terms; and whether the agency is located in the Cabinet or EOP.\textsuperscript{34} A positive coefficient signifies that presidents are given more administrative control.\textsuperscript{35} Since the dependent variable is an ordered categorical variable with a known number of categories we estimate an ordered probit model.\textsuperscript{36} We report robust standard errors adjusted for clustering on years.

Three of the control variables are subject-specific.

**Line in the Budget**

This measure serves as a proxy for the size of the agency, which is important since presidents often have more influence over smaller agencies. The variable equals 1 if the agency has its own line in the budget and 0 otherwise. We do not include budgets as a proxy for size since doing so would omit a large portion of the foreign affairs bureaus created since 1946, which lack a line in the budget.

**Adjudicative**

We control for whether an agency performs an adjudicative or judicial function such as hearing appeals, reviewing eligibility determinations, or resolving contested claims since commissions, rather than single persons, often are charged with adjudication. Some examples of such agencies include the Foreign Claims Settlement Commission, the Federal Mine Safety and Health Review Commission, and the Federal Labor Relations Authority. The variable equals 1 if the agency performs such a function, and 0 otherwise, and such agencies amount to 6% of our sample.\textsuperscript{37}

**Created by Statute**

Agencies can be created through legislation or via executive action such as executive orders, departmental orders, or reorganization plans. In the latter mode, Congress can only try to stop the president after the fact by passing legislation (which the president can of course veto, forcing Congress to come up with a veto-proof supermajority). We therefore expect fewer characteristics of presidential control in those agencies created by statute.\textsuperscript{38}

**Results.** Table 2 presents estimates both with and without the president indicators. The results again indicate that foreign and defense agencies are created to allow significantly more presidential influence than domestic ones. The main effects of foreign affairs are positive and significant at conventional levels ($p < 0.05$, two-tailed). The coefficients on the interaction of foreign affairs and unified government, although only significant in the model without the president indicators, suggest that the impact of the two presidencies diminishes slightly during periods of unified government. This is consistent with the earlier results on the budgetary data. Notably, though, the results suggest that the two presidencies effect does not disappear during times when bipartisanship breaks down; even controlling for the possibility that partisanship affects foreign affairs differently, presidents are found to maintain greater influence over the creation of foreign policy agencies.

Understanding the magnitudes of this effect is not straightforward due to the fact that ordered

\textsuperscript{34}This coding treats agencies in the EOP and cabinet equivalently. We have also coded this variable in ways that distinguish EOP agencies explicitly from the cabinet and distinguish the inner and outer cabinet. The results are robust to these alternative coding schemes.

\textsuperscript{35}Specifically, we code agencies that have an administrator rather than a commission as 1, and all other agencies are coded as 0. Agencies that do not have party balancing limitations on appointments are coded as 1, and all other agencies are coded as 0. Agencies that do not have fixed terms for appointees are coded as 1, and all other agencies are coded as 0. Agencies in the Executive Office of the President or the Cabinet are coded as 1, and all other agencies are coded as 0. These values are then summed to create the dependent variable.

\textsuperscript{36}Knowing the number of categories makes an ordered probit model more appropriate than a count model. We have also estimated negative binomial regression models, which generate comparable results.

\textsuperscript{37}One possible confounding factor is that domestic agencies are more likely to be regulatory agencies. If regulatory agencies are more likely to be insulated from presidential control the effect of foreign affairs could be spurious. To account for this possibility we coded all agencies according to whether they carried out a significant regulatory function (see Dudley and Warren 2006) and estimated models with this additional control. The results confirm what is reported in the main text. The coefficient on regulatory agencies was negative, indicating that presidents have less authority over regulatory agencies, but we could not reject the null that the coefficient was 0 ($p < 0.27$).

\textsuperscript{38}We also have estimated models that treat statutory creation as endogenous, using as instruments contemporaneous assessments of agency importance as defined by whether the agency was included in encyclopedic lists of important bureaucratic agencies (i.e., either Emmerich 1971 or Whitnah 1983). These models produce estimates that are indistinguishable from those reported in Table 2. We have also estimated models for only those agencies created by executive action, and these results again support the two presidencies thesis.
probit coefficients can only be interpreted for specific parameter values. Setting all other variables at their means, the first model predicts that foreign affairs agencies are 27 percentage points more likely to have all four characteristics that enhance presidential control. This substantial effect is more than twice as large as the influence of war, unified government, or whether the agency has a line in the budget. In fact, the effect is larger than the influence of all of these characteristics combined. Yet the effect is not quite as large as two other characteristics of agencies themselves, statutory creation and adjudicatory function. Agencies created by statute and agencies that perform adjudicatory functions are about 40 percentage points less likely to have all four of the characteristics that enhance presidential control.

Several other estimates are worth mentioning. First, as with Table 1, war has no discernible independent impact on agency creation. Second, and arguably more surprising, are the results on unified government. In the model with the president indicators, unified government appears to decrease a president’s likelihood of securing an agency design to his advantage. Yet when the president indicators are removed, the sign of the coefficient flips. Furthermore, in the full model, the coefficients on the presidents who served during periods of unified government (Truman, Eisenhower, Kennedy, Johnson, Carter, and Clinton) are all more positive than the coefficients on the presidents who served only during periods of divided government (Nixon, Reagan, Bush 41, and the omitted president, Ford). Moreover, if we only analyze agencies

<table>
<thead>
<tr>
<th>Table 2</th>
<th>Presidential Administrative Influence by Foreign/Domestic Policy, 1946-2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign Affairs</td>
<td>0.772 (0.203)</td>
</tr>
<tr>
<td>Unified Government</td>
<td>0.216 (0.193)</td>
</tr>
<tr>
<td>War</td>
<td>-0.009 (0.145)</td>
</tr>
<tr>
<td>Foreign Affairs × Unified Government</td>
<td>-0.931 (0.367)</td>
</tr>
<tr>
<td>President Indicators</td>
<td></td>
</tr>
<tr>
<td>Truman</td>
<td></td>
</tr>
<tr>
<td>Eisenhower</td>
<td></td>
</tr>
<tr>
<td>Kennedy</td>
<td></td>
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<tr>
<td>Johnson</td>
<td></td>
</tr>
<tr>
<td>Nixon</td>
<td></td>
</tr>
<tr>
<td>Carter</td>
<td></td>
</tr>
<tr>
<td>Reagan</td>
<td></td>
</tr>
<tr>
<td>Bush</td>
<td></td>
</tr>
<tr>
<td>Clinton</td>
<td></td>
</tr>
<tr>
<td>Subject-Specific Controls and Constant</td>
<td></td>
</tr>
<tr>
<td>Line in the Budget</td>
<td>0.249 (0.102)</td>
</tr>
<tr>
<td>Adjudicative Agency</td>
<td>-1.338 (0.157)</td>
</tr>
<tr>
<td>Created by Statute</td>
<td>-1.060 (0.136)</td>
</tr>
<tr>
<td>N</td>
<td>407</td>
</tr>
<tr>
<td>$\chi^2$</td>
<td>207.95</td>
</tr>
</tbody>
</table>

Note: DV is count of characteristics enhancing presidential influence (0-4)—headed by administrator, no party balancing requirements for nomination, ability to fire, location inside the EOP or the cabinet. Cut point estimates omitted. Standard errors adjusted for clustering on years and reported in parentheses. Omitted category for president indicators is Ford. Percent correctly predicted based upon highest predicted probability is .59 and .60, respectively. Chi-squared statistic is test of joint significance of the coefficients ($p < 0.01$ for both models). Predicted versus actual probabilities for 5 categories are: 0- 1.50 or 1.21 vs. 3.58; 1- 3.37 or 2.97 vs. 6.68; 2- 8.55 or 8.05 vs. 9.55; 3- 27.00 or 27.57 vs. 22.67; 4- 59.61 or 60.20 vs. 57.52 for first and second model, respectively.
created by statute, unified government has a significant positive effect.

In sum, we find substantial evidence that presidents secure more administrative influence over foreign policy agencies than domestic ones. Given that bureaucracies are relatively durable, our results point to an evolving bureaucracy where presidents have more and more control in foreign than domestic policy (e.g., Downs 1967; Kaufman 1976). While presidents work hard informally to counteract formal structures that limit their power in domestic policy, they are unlikely to succeed fully so that a power differential matures in foreign and domestic policy.

**Conclusion**

A discussion of two presidencies is arguably more relevant now than ever. As Norman Ornstein wrote in *USA Today*, the two presidencies are in “full force” in the George W. Bush administration, and with “real and direct” policy implications. Indeed, a broad-brushed observation of the recent activity in foreign versus domestic policymaking suggests that the two presidencies thesis properly characterizes the current administration. Contrast, for instance, the fate of Bush’s signature domestic policy initiatives (failed Social Security reform, continuing struggles to establish permanent tax relief, and the considerable trade-offs required to enact No Child Left Behind and the prescription drug plan under Medicare) with those of the foreign policies launched since 9/11 (the budget for the War on Terror, the design of new agencies such as the Department of Homeland Security, the decisions to intervene militarily into Afghanistan and Iraq, the unilateral withdrawal from the Anti-Ballistic Missile Treaty).

Our paper makes two contributions to understanding the two presidencies phenomenon, not only in the current administration but the modern presidency generally. First, it distills an institutional logic that explains how first-mover advantages, informational differences, and electoral pressures grant presidents greater influence in foreign than domestic affairs. Moreover, the logic implies that these factors should encourage Congress to delegate policymaking authority to the president in foreign affairs. As a consequence, Congress—through explicit action as well as inaction following presidential initiative—has increasingly delegated foreign policymaking to the executive branch over time. The institutional logic thus helps to explain why it is that numerous studies of broad classes of roll-call votes have found little evidence of a two presidencies effect even though such an effect still exists.

Our second contribution is to test for the existence of the two presidencies in a specific domain that Congress cannot delegate, budgetary appropriations, and a domain that explicitly incorporates delegation, agency creation. We find that in these contexts presidents exercise considerably greater influence over foreign than domestic policy. Indeed, in each case this effect on presidential influence is at least as great as the impact of the president’s party controlling Congress. These findings hold even when controlling for a host of other factors, including the possibility of bipartisanship in foreign affairs.

This research also has implications for the study and understanding of presidential power more broadly. First, it contributes to recent scholarship that highlights how presidents exert power in different parts of the policy process. Our findings, in particular, underscore the importance of understanding how the exercise of power in one venue might affect its use in another venue. Attention to these different venues—and policy makers’ incentives to utilize them—can help provide a more complete picture of presidential influence over the policy process. Second, and more fundamentally, this paper suggests that perceptions of presidential power will vary according to the mix of policy issues that consume the national agenda. When foreign policy issues are at the forefront, presidents should appear more powerful because they will achieve more of their goals. Thus in a post-9/11 world—to the extent that the war on terror remains a long-term issue—the two presidencies should be a particularly noticeable feature of the U.S. presidency. Regardless of who is president, their ability to achieve objectives on issues of foreign and defense policy should contrast strikingly with the progress of their domestic agenda. This disjuncture is likely to be all the more striking if presidents mistakenly believe that they can translate their achievements in foreign affairs to ones in domestic policy.

**Acknowledgments**

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40Norman Ornstein, “Bush Will Confront Presidency’s Two Faces.” *USA Today*. 6 December 2001, 15A.
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Brandice Canes-Wrone is associate professor of politics and public affairs, Princeton University, Princeton, NJ 08544. William G. Howell is associate professor of government Harvard University, Cambridge, MA 02138. David E. Lewis is assistant professor of politics and public affairs Princeton University, Princeton, NJ 08544.