



저작자표시-비영리-변경금지 2.0 대한민국

이용자는 아래의 조건을 따르는 경우에 한하여 자유롭게

- 이 저작물을 복제, 배포, 전송, 전시, 공연 및 방송할 수 있습니다.

다음과 같은 조건을 따라야 합니다:



저작자표시. 귀하는 원저작자를 표시하여야 합니다.



비영리. 귀하는 이 저작물을 영리 목적으로 이용할 수 없습니다.



변경금지. 귀하는 이 저작물을 개작, 변형 또는 가공할 수 없습니다.

- 귀하는, 이 저작물의 재이용이나 배포의 경우, 이 저작물에 적용된 이용허락조건을 명확하게 나타내어야 합니다.
- 저작권자로부터 별도의 허가를 받으면 이러한 조건들은 적용되지 않습니다.

저작권법에 따른 이용자의 권리는 위의 내용에 의하여 영향을 받지 않습니다.

이것은 [이용허락규약\(Legal Code\)](#)을 이해하기 쉽게 요약한 것입니다.

[Disclaimer](#)

Master's Thesis of Public Administration

A Study on the Political Influence
of Legislators in the National
Assembly's Budget Process
–Focused on the Supplementary Budget
in Special Committee on Budget and Accounts

국회 예산심의 과정에서
국회의원의 정치적 영향력에 관한 연구
–예산결산특별위원회의 추가경정예산을 중심으로

February 2020

Graduate School of Public Administration
Seoul National University
Global Master of Public Administration

Kim, Hyemi

**A Study on the
Political Influence of Legislators
in the National Assembly's
Budget Process**

**–Focused on the Supplementary Budget
in Special Committee on Budget and Accounts**

Academic Advisor Kim, Junki

Submitting a master's thesis of Public Administration

September 2020

**Graduate School of Public Administration
Seoul National University
Global Master of Public Administration**

Kim, Hyemi

Confirming the master's thesis written by

Kim, Hyemi

November 2020

Chair Choi, Jongwon



Vice Chair Choi, Taehyon



Examiner Kim, Junki



Abstract

The budget deliberation of the National Assembly has been criticized for its short deliberation period and nontransparent decision-making process, which allows lawmakers to use their political influence on the purpose of securing larger budget benefits for constituencies or political parties. However, there is a lack of empirical analysis of legislator's political influence on the adoption of budget requests, including institutional positions, seniority, and party affiliation.

This study was intended to empirically analyze whether the political influence of lawmakers affects the adoption of budget requests based on the data of the Special Committee on Budget and Accounts (SCBA). This study analyzed the budget deliberations on the supplementary budget bills for the fiscal years from 2013 to 2019.

According to this analysis, if the member who proposed the budget request is a subcommittee member of the SCBA, the probability of that member's budget request being adopted is about twice as high as a request made by a nonmember. This means that the subcommittee members can secure more budget benefits because of their subcommittee membership.

However, there is no significant statistical evidence that a senior member secures more budget benefits than a junior member. Additionally, this study cannot find significant statistical evidence that the ruling party's members enjoy more advantages than the

members of the opposition party in the budget process. This implies that the legislators are likely to build cooperation with members of the other party.

Thus, it is necessary to improve the budget deliberation process to prevent the misuse of SCBA subcommittee membership in securing a self-interested budget. Possible alternatives may be to give sufficient information and time for checking the effectiveness and feasibility of budget requests. Furthermore, an improvement in transparency, strengthening the role of the standing committee, and an extension of SCBA members' terms are expected to reduce the political influence of SCBA subcommittee members on the budget deliberation process.

Keywords: Budget deliberation, Political Influence, Special Committee on Budget and Accounts, Budget Request

Student Number: 2018-29721

Table of Contents

Chapter 1. Introduction	1
Chapter 2. Theoretical Background and Previous Research 4	
2.1. The Budget Deliberation Process of the National Assembly 4	
2.1.1. The Submission of the Executive Budget Bill	5
2.1.2. The Budget Deliberation of National Assembly	6
2.2. Theoretical Background	1 2
2.2.1. Budget Theory: Rationalism and Incrementalism.....	1 2
2.2.2. Public Choice Theory.....	1 4
2.2.3. The Theory of Pork-barrel Politics	1 7
2.3. Previous Research on Korean Budget Deliberations.....	2 5
Chapter 3. Research Design	3 1
3.1. Theoretical Framework and Hypotheses	3 1
3.2. Variables	3 4
3.2.1. Dependent Variable	3 4
3.2.2. Independent Variables	3 5
3.2.3. Control Variables.....	3 6
3.3. Data	4 0
3.4. Methodology	4 3
Chapter 4. Result	4 5
4.1. Descriptive Statistics	4 5
4.2. Binary Logistic Model	4 8
4.3. Analysis Results	4 8
Chapter 5. Conclusion	5 5
5.1. Summary	5 5
5.2. Policy Implications	5 7
5.2.1. Strengthen Analysis on Budget Requests.....	5 8
5.2.2. Controlling the Power of Special Committee of Budget and Accounts	6 0
5.3. Study Limitations.....	6 3
Bibliography	6 5
Abstract in Korean	7 3

List of Tables

Table 1. The Budget Process of the National Assembly	1 1
Table 2. The Size of Distributive Coalition	1 9
Table 3. Allocation of Pork–barrel Benefits	2 4
Table 4. Empirical Analysis on Distribution Politics in the Legislature	2 4
Table 5. Previous Research	2 8
Table 6. Variable Definition.....	3 9
Table 7. Average Expenditure Revision for the Fiscal Years from 2013 to 2019	4 1
Table 8. Supplementary Budgets for the Fiscal Years from 2013 to 2019	4 2
Table 9. Descriptive Statistics.....	4 7
Table 10. Model Verification.....	4 8
Table 11. Result of the Binary Logistic Regression	4 9
Table 12. Hypothesis Adoption.....	5 4

Chapter 1. Introduction

The executive and the legislature are major players in the budget process. According to the Constitution of the Republic of Korea (Article 54), the executive formulates the budget bill, and the National Assembly deliberates on it. An expansion of bureaucracy and an increase in the fiscal deficit have required the National Assembly to reinforce its review on the sustainability of public finance, the appropriateness of fiscal allocation, and the efficiency of the major budget programs.

However, the National Assembly has been criticized for its insufficient budget deliberations, including the short review period and the nontransparent decision-making process (Bae, 2016; J. Park, 2013)^①. Although it is desirable for the legislature to make budget decisions based on the effectiveness, feasibility, and priority of each budget project, the short budget deliberation period and lack of information could hinder in-depth budget deliberations based on economic analysis. Furthermore, the closed-door meeting of the Special Committee on Budget and Accounts (SCBA) has the power to make major budget decisions.

Under these circumstances, some researchers have shown that the political influence of the legislators who suggest the budget

^① Although Korean National Assembly has at least 90 days to deliberate the executive's budget bill in principle, the actual budget deliberation process typically starts in late October or early November after the inspection and investigation on the executive. The actual budget deliberation period of the SCBA on the regular budget has been only from 8 to 22 days per year during the last 10 years (SCBA, 2019)

requests might affect the budget allocation (Bae, 2016; H. Hong, 2018; J. Park, 2013). The current budget deliberation system increases the likelihood that the budget would be distributed according to political factors, reflecting the self-interests of legislators rather than according to national priorities that would benefit the broader public (W. Lee, 2003; Lee, 2018).

That is, the members of the SCBA might have incentives to secure a self-interested budget on behalf of their constituencies using their political influence, such as institutional authority, seniority, and party affiliation (Bae, 2016; H. Hong, 2018; Y. Hong, 2020). However, there is a lack of empirical analysis that the members with political advantages could secure more budget benefits through the budget deliberations. This is because the SCBA does not make the data related to the budget requests available to the public.

The purpose of this study is to provide an empirical analysis of which factors constituting the political influence of legislators affect the adoption of budget requests in the budget process of SCBA, including membership in the SCBA subcommittee, seniority, and ruling party affiliation. If this political influence of budget requestors affects budget deliberation results, legislators could use this political power to secure more budget benefits. Understanding the internal process of the budget deliberation is thus helpful in curbing the practice of political allocation of the budget.

Budget deliberation consists of a reduction of the executive's budget bill and a reallocation of some portions of the budget to reflect the lawmaker's budget requests. The National Assembly tended to

cut small amounts of the executive's budget bill, which amounted to approximately 1%–2% of the total budget (C. Kim, 2019, p. 46). They then reallocated a portion of the budget cuts to increase other budget project amount or fund new projects in response to members' requests. This study examines how budget resources are distributed among the members of the National Assembly by focusing on the adoption of the budget requests by the SCBA.

This study analyzed legislators' budget requests in the budget deliberation process on the supplementary budget bill for the fiscal years from 2013 to 2019^②. The unit of analysis was the budget request at the detailed program level. The dependent variable was the adoption or rejection of the budget request. The independent variables were established by dividing the political influence of legislators by subcommittee membership, seniority, and party affiliation. The control variables were the year and the factors related to the efficiency and feasibility of the budget program, such as whether the budget request had a specific beneficiary or not, whether there exists the existence of preliminary review results by the standing committee, and whether the requested budget program was included in the executive's budget bill or not. This analysis employed a binary regression analysis using the SPSS statistical program.

^② The supplementary budget included a general account, special accounts, and funds.

Chapter 2. Theoretical Background and Previous Research

2.1. The Budget Deliberation Process of the National Assembly

The Constitution of the Republic of Korea gives the executive the authority to formulate a budget bill and grants the National Assembly the authority to deliberate on the executive's budget bill. According to the National Finance Act (Article 33), budget deliberation begins with the submission of the executive budget bill to the National Assembly every year by September 3. The deliberation process of the National Assembly is followed by a preliminary review by the standing committee, a comprehensive review by the SCBA, and then final approval in the plenary session (Table 1) (SCBA, 2019).

The national budget consists of the regular budget and the supplementary budget. The supplementary budget is made because events occur after the regular budget is established which makes it necessary to modify the regular budget. The budget deliberation process of a supplementary budget is similar to that of the regular budget. However, there are some differences, including the lack of a deadline for submission and review, the absence of a public hearing, and a difference in the number of subcommittee members of the SCBA.

2.1.1. The Submission of the Executive Budget Bill

The National Finance Act (Article 33) stipulates that the executive should submit the budget bill to the National Assembly by no later than 120 days (September 3) before the commencement of the fiscal year^③. According to the National Assembly Act (Article 84), the plenary session in the National Assembly listens to a speech by the executive regarding the executive's budget policies. Customarily, the President delivers this administrative speech at the plenary session.

Unlike the regular budget, the supplementary budget can be submitted at any time necessary, so there is no restriction on the timing of submission. However, the requirements for the supplementary revised budget are specified in the National Finance Act (Article 89). The executive may formulate a supplementary budget bill under three circumstances: if i) a war or large-scale disaster breaks out, ii) a significant change in circumstances, such as an economic recession, mass unemployment, or a change in inter-Korean relations occurs or is likely to occur, or iii) the mandatory expenditures are larger than expected, thereby making it necessary to revise the budget that has already been finalized.

^③ The fiscal year is from January 1 to December 31.

2.1.2. The Budget Deliberation of National Assembly

2.1.2.1. The Preliminary Review of the Standing Committee

The deliberation process of the National Assembly on the executive's budget bill starts from a preliminary review by the standing committee. According to the National Assembly Act (Article 84), once the budget bill is submitted, the Speaker of the National Assembly delivers the executive's budget bill to the standing committee with a deadline for the preliminary review. If the standing committee does not complete the review by the deadline, the Speaker can refer it directly to the SCBA.

The preliminary review of the budget bill by the standing committee comprises an explanation of the proposal, a budget analysis report by a deputy chief of staff, a general discussion, a review by subcommittee, debate, and a vote.

When a budget bill is referred to the standing committee, the committee sets a review schedule for the budget bill. The budget analysis reports prepared by the deputy chief of staff are distributed to each member of the committee no later than 48 hours before the budget bill is presented to the committee. When the budget bill is presented, the heads of the related ministries explain the major policies and budget programs in the budget bill. Then the deputy chief of staff presents a budget analysis, which includes an overview of the budget bill, any major problems it might contain, and recommendations for increasing or decreasing each budget program.

Next, the members of the standing committee conduct a general discussion, in which the members of the standing committee pose questions to the heads of the relevant ministries. After the general discussion, it is customary to form a subcommittee consisting of five to seven members to carry out detailed budget deliberations. The subcommittee conducts in-depth reviews of each budget program, including recommended increases or decreases. Once the revised budget approved by the subcommittee has been prepared, it is reported to the standing committee, which votes on it after the debate.

When the preliminary review of the standing committee is completed, the standing committee reports the results to the Speaker of the National Assembly. The standing committee's report includes a recommendation for the increase or reduction in the amount allocated for each budget program. The preliminary review is close to micro-budgeting because the standing committee decides the budget for each program and items of the ministries and agencies under the committee's jurisdiction (C. Park, 2003).

2.1.2.2. The Comprehensive Review of the Special Committee on Budget and Accounts

The Speaker of the National Assembly refers the executive's budget bill to the SCBA with the preliminary review of the standing committee. The SCBA consists of 50 members and each member has a one-year term. The Speaker of the National Assembly selects the SCBA's members at the request of each negotiating party according

to the ratio of the number of members belonging to each negotiating party and the ratio of members of each standing committee.

Once the budget bill is referred to the SCBA, the executive secretaries of the negotiating parties in the SCBA decide on the budget review schedule. The SCBA holds a public hearing on the executive's budget bill except for the supplementary budget bill. The budget deliberation process of the SCBA comprises a budget bill proposal explanation, a budget analysis report by the senior deputy chief of staff, a discussion on the general budget policy, a sectoral review, a subcommittee review, debate, and a vote.

The Minister of Economy and Finance explains the economic outlook, the budget priorities, and the major programs of the executive's budget bill. The senior deputy director of staff in the SCBA presents the budget analysis results. The general discussion is a procedure for questions and answers regarding all aspects of the budget. The prime minister and various ministers attend the general discussion. A sectoral review is a procedure for questions and answers regarding special budget programs from select ministries. The Minister or Vice Minister of Economy and Finance and the related ministers take part in this process.

The SCBA forms a subcommittee with about 11 to 15 members (7 to 10 members in the supplementary budget) to examine and revise the executive's budget bill. The Vice Minister of Economy and Finance customarily attends the subcommittee because of the authority of the executive's consent to the budget increase revision. The subcommittee examines each detailed budget program based on

the proposals of standing committees and revision opinions of the SCBA members during the general and sectoral discussion.

However, in practice, the subcommittee of the SCBA only determines the budget reduction of simple budget programs that the executive and all subcommittee members agree to or that are proposed by the standing committee. The subcommittee delegates the essential power of budget revision to the sub-subcommittee, which largely consists of executive secretaries of the negotiating parties of the SCBA. The sub-subcommittee is closed to the public and does not make the minutes of its meeting public. The closed-door and unofficial sub-subcommittee determines the budget increase of all budget programs and budget cuts of major programs. The subcommittee then makes a single budget revision reflecting the consensus of the subcommittee and sub-subcommittee.

The SCBA finalizes the committee's revised budget by debating and voting on the budget revision of the subcommittee, and the revised report is reported to the Speaker of the National Assembly. The SCBA should obtain consent from the standing committee when the SCBA increases a program's budget that had been cut by the standing committee.

2.1.2.3. Approving in the Plenary Session and Transferring to the Executive

The plenary session makes the final budgetary decision. According to the National Assembly Act (Article 85-3), the

executive's budget bill must be referred to the plenary session on December 1 if the SCBA fails to complete the budget review by November 30. The Korean National Assembly should decide upon the budget within 30 days before the beginning of the fiscal year. However, unlike the regular budget, the automatic referral of the budget bill to the plenary session and the budget deliberation deadline do not apply to the supplementary budget bill.

Once the budget bill is referred to the plenary session, the chairman of the SCBA reports the SCBA's decision. In most cases, the plenary session agrees with the results of the SCBA review. However, a motion to revise a budget bill in the final stage requires the signatures of at least 50 National Assembly members. Then, the members of the National Assembly debate and vote on the budget bill. According to the National Assembly Act (Article 109), the decision is made by the attendance of a majority of all incumbent National Assembly members and the concurrent vote of a majority of those present.

If the budget is approved at the plenary session, the Speaker of the National Assembly transfers it to the executive. The President cannot veto an approved budget passed by the legislature. However, according to the Constitution of the Republic of Korea (Article 57), if the National Assembly wants to increase expenditures on any item or create any new item in the budget, the National Assembly must obtain the consent of the executive.

Table 1. The Budget Process of the National Assembly

Stage	Deadline	Process
Submission of the Executive Budget Bill to the National Assembly	120 days before the commencement of the fiscal year (September 3)	<ul style="list-style-type: none"> - Speech by the executive in the plenary session
Preliminary Review of the Standing Committee	Deadline set by the Speaker of the National Assembly	<ul style="list-style-type: none"> - Explanation of the proposal - Budget analysis report by a deputy chief of staff - General discussion - Review by subcommittee - Debate and vote
Comprehensive Review of the Special Committee on Budget and Accounts	Automatic referral of the budget bill to the plenary session on December 1	<ul style="list-style-type: none"> - Explanation of the budget bill proposal - Budget analysis report by deputy chief of staff - General discussion - Sectoral review - Review by subcommittee (Including closed and unofficial sub-subcommittee review on increasing the budget or reducing major budget programs) - Debate and vote (The consent of the standing committee is needed when increasing the budget amount that was cut by the standing committee)
Final Approval in the Plenary Session	30 days before the commencement of the fiscal year (December 2)	<ul style="list-style-type: none"> - Report by the chairman of the Special Committee on Budget and Accounts - Debate and vote - Transfer the budget bill to the executive (The consent of the executive is needed when increasing expenditures or creating the new budget items)

2.2. Theoretical Background

2.2.1. Budget Theory: Rationalism and Incrementalism

Key (1940) raised the question “On what basis shall it be decided to allocate x dollars to activity A instead of activity B?” He suggested that the solutions to this problem might be found through the application of economic theory and political philosophy. Key also proposed that the solution might be found through a careful and comprehensive analysis of the budgetary process (Key, 1940).

On the one hand, the rationalist approach suggested that the economic aim of budgeting is to achieve the best use of resources. Rationalism assumes that decision-makers will seek optimal solutions in the broad public interest. From the rationalist perspective, once the goals have been defined, technicians should seek the appropriate means to achieve them by appraising alternative strategies (Fozzard, 2001).

Lewis (1952) argued that budget decisions must be based on relative values, which means that return from every expenditure must be worth its cost in terms of sacrificed alternatives. Incremental analysis at the margins was to divide available resources into increments and consider which of the alternative uses of each increment would yield the greatest return. In addition, these values can be compared by determining relative effectiveness in serving a common objective (Lewis, 1952). Thus, budgeting has been conceived as a process for systematically relating the expenditure of

funds to the accomplishment of planned objectives (Schick, 1966).

However, the rationalist approach has some shortcomings. The principle of marginal utility for the analysis of the market economy has a limitation when applied to public expenditures (Key, 1940). Furthermore, the rationalist approach requires much time and energy to obtain information and conduct an analysis.

On the other hand, the incremental approach suggested that the budget process is made from political and complex relationships among participants who have limited rationality and incomplete information. Lindblom (1959) suggested that decision-makers muddle through using a process of disjointed incrementalism, which contradicts the fundamental assumptions of rationalist decision-making. The decision-makers start from the status quo, recognize the goals and policies iteratively, assess a small number of comparable policies, and identify solutions that can be accomplished by small steps.

Wildavsky (1975) suggested that budgeting is not a comprehensive and total review but an incremental process. Policy-makers only focus on making a narrow range of additions or deductions to the previous year's budget base. He noted that the incremental budget process brought controlled conflict, repetitive processes, and limited change. However, the incremental approach does not explain the basis of initial allocations and resource allocation under budget deficit circumstances (Fozzard, 2001).

2.2.2. Public Choice Theory

Public choice theory can be defined as “the economic study of nonmarket decision making, or simply the application of economics to political science” (Mueller, 2003). Public choice applies economic methods to explain politics, government, and the nature of democratic decision-making (Butler, 2012). Public choice theory assumes that decision-makers such as politicians, officials, and voters are economic actors with economic rationalism who want to maximize their welfare by political exchange (Buchanan & Tullock, 1962).

Public choice theory emphasizes methodological individualism that regards the state as the sum of its individual members acting in a collective capacity (Buchanan, 1949). It is in contrast to the organismic theory of the state as a single decision-making unit acting for society as a whole. Political decision-making is not an impartial pursuit of public interest but rather can entail a competition between different personal and group interests (Buchanan, 1949).

Public choice theory focuses on a proper institutional framework that includes rules and laws in a struggle between different values and interests. According to public choice theory, the government, which tries to intervene in the market to correct market failures, can also commit government failures. For example, different voting systems will have different results, or interest groups can lead to wasteful activity of rent seeking. Thus, the rules and regulations, which constrain or govern the decision-maker’s behavior, are important to prevent government failure. Buchanan and Tullock

(1962) suggested that the Constitution, which establishes future voting systems, must be made by unanimous agreement to protect minorities. This selected voting system would minimize the social interdependent costs, which are the sum of external costs and decision costs (Buchanan & Tullock, 1962).

Under a given voting system, actors can form coalitions or trade votes such as explicit or implicit logrolling to achieve their goals. Riker (1962) suggested that the optimal coalition is a minimum winning coalition that is large enough to control the agenda without being so large as to be unstable. Logrolling will bring either positive impacts or negative impacts. Logrolling among people with different intensities of preference can reduce the external costs and decision costs (Buchanan & Tullock, 1962). However, logrolling can also produce negative results if the costs to a budget project exceed its benefits, as in pork-barrel politics.

Next, public choice theory explains the motivation of the legislator, the party, and the executive. Public choice theory explains the legislator's behavior in the budget process. Vote-maximizing politicians try to secure electoral benefits by claiming credit for government spending on behalf of their constituencies (Downs, 1960). Downs (1960) assumed that politicians pursue individual interests such as re-election and political power instead of seeking public interest. Politicians are eager to respond to local demands in the budget to bolster their chances of re-election (Klingensmith, 2016). Mayhew (1974) assumed that legislators, who are single-minded in their pursuit of re-election, try to secure shiny

construction projects in the budget.

Weingast, Shepsle, and Johnsen (1981) demonstrated that politicians promote projects that concentrate benefits in specific constituencies while spreading their costs across all constituencies through generalized taxation to meet the demands of self-interested voters because self-interested voters are likely to vote for representatives that bring them benefits at a low cost. Political constituencies can be defined not only in geographical terms but also in terms of interest groups or ministry spending agencies (Stein & Bickers, 1994a).

Parties affect political budget behavior. Political parties may pursue the median voter to win votes and bunch together at the center (Black, 1948). Furthermore, voters' attachment to parties may be strong because of rational ignorance, so they will vote for that party even if the party's candidate is not viewed as highly competent (Keefer & Khemani, 2009). Political parties try to recruit candidates whose policy preferences match the party's policies. That is, legislators are subject to the opinion of their party.

Public choice theory also explains the behavior of the executive. Niskanen (1971) suggested that administrators (line ministries) attempt to preserve their self-interests, such as better working conditions or budget maximization, by inflating public demands for spending. This is in contrast to the theory that the values and attitudes of public administrators are likely to resemble those of the larger public (Dolan, 2002). However, ministers of finance can be expected to impose constraints on the pursuit of self-interested

political agendas by politicians and government officials (Fozzard, 2001)

Lastly, public choice theory assumes that budget size has a correlation with elections. The incumbent party has an incentive to put excessive weight on social welfare or government grants because voters have incomplete information regarding the ruling party's policy or competency (Rogoff & Sibert, 1988). The theory of the political–budget cycle shows that transfer payments as social security, veterans' benefits, and federal grants tend to peak during those periods immediately preceding national elections (Rich, 1989).

2.2.3. The Theory of Pork–barrel Politics

On the basis of public choice theory, studies of the legislative budget process that infer that legislative intrachamber factors affect the allocation of budget resources have developed (Lazarus, 2010). In particular, the literature explains how legislators form coalitions and which kinds of political influence of the legislator can affect budget allocation by analyzing distribution policies such as pork–barrel projects or earmarks^④.

^④ Distribution policies are those that concentrate benefits to specific areas or groups while spreading the cost through general taxation (Lowi, 1964). Lowi (1964) argued that distribution policies are different from the policies of redistribution or regulation. A policy is distributive if the benefits accruing to one area can be varied without affecting the benefits received by other areas (Weingast, 1979). In short, distribution policy refers to cases where the benefits are particular but the costs are general (Collie, 1988). Distribution policies include most contemporary public land and resource allocations such as defense procurement, R&D, the clientele service of labor, business, and agriculture (Lowi, 1964). Pork–barrel projects are a subset of distributive policy consisting of inefficient policies in the sense that the cost of a

As an assumption of public choice theory, legislators participate in the budget process to increase their chances of re-election. To achieve their re-election goal, legislators may use various strategies within the institutional rules and regulations that govern their behavior. In this process, the party, staff, fellow legislators, constituencies, and interest groups can affect the behavior of the legislator (Kingdon, 1989). Legislators can form coalitions or engage in logrolling with other legislators to link individual interests to a collective decision (Evans, 2004).

First, theories on the size of the distributive coalition in the legislature have two formal models: minimum winning coalition and universalism (Table 2).

On the one hand, the minimum winning coalition argues that the majorities will be of the barest size possible because the minimum winning coalition maximizes the payoff to the members of the winning coalition (Buchanan & Tullock, 1962; Riker, 1962). If legislators believe that securing funding for pork-barrel projects offers electoral payoffs, majority party legislators can be expected to discriminate against the minority in the budget process. The majority coalition will adopt distribution policies that benefit themselves at the cost of the minority.

On the other hand, universalistic coalition theory suggests that legislators would like to maintain unanimous coalitions because they

pork-barrel project exceeds its benefits (Ferejohn, 1974; Weingast et al., 1981). Earmarking is the process by which the members of Congress redirect funds already allocated to federal agencies in the U.S. (Gordon, 2018).

are expected to give a higher payoff while reducing uncertainty and time for the formation of the winning coalition (Weingast, 1979). Ferejohn (1974) indicated that the members of the legislature seek unanimity and are reluctant to exclude minorities from the benefits of distributive legislation. The members of the majority can foresee their party sooner or later becoming the minority and observe minority rights in preparation for their party's anticipated future status.

Empirical analysis showed that, when legislators consider programs that involve geographically concentrated benefits and diffuse costs, legislative coalitions are larger than simple majorities but not universally. Stein and Bickers (1994b) examined federal expenditures for financial assistance to congressional districts using the data of the Federal Assistance Awards Data System from 1983 to 1990. They failed to find evidence of neither universalism nor a minimum winning coalition. In response to this, Weingast (1994) insisted that universalism does not mean that any particular program will benefit all members but rather that all members are expected to benefit from some programs.

Table 2. The Size of Distributive Coalition

Type	Size	Goal
Minimum winning coalition	Barest possible size	Maximize payoff
Universalistic coalition	Unanimous size	Maximize payoff and reduce uncertainty and time for winning coalitions formation

Next, studies focus on the patterns by which pork-barrel projects are awarded by the legislature. There are two types of models: the committee-centered model and the partisan model (Table 3).

On the one hand, the distributive (gain-from-exchange) model suggests that the committee system can promote a coalition across issues of special interest to particular (Weingast & Marshall, 1988). They assumed that individual members compete with each other to secure individual benefits by satisfying their constituency's demand. The committee system supports logrolling institutionally because the committee system reduces the uncertainty of reneging on logrolls as well as has gate-keeping power over their specific policy area (Weingast & Marshall, 1988). As a result, committee members can secure a larger share of budget benefits through the committee system without regard to the party. Many studies have found that members of relevant authorizing and Appropriations Committees receive disproportionate distributive benefits (Evans, 2004; Lazarus, 2010; F. E. Lee, 2003).

However, not all members of the committee have the same degree of power. Some studies showed that the appropriations subcommittee members of the U.S. Congress, the chair or ranking member of the appropriations subcommittees, or senior members have the advantage of being able to secure funding for pork-barrel projects or earmarks (Clemens, Crespin, & Finocchiaro, 2015; Lazarus, 2010).

In terms of the subcommittee membership of the appropriations

committee, Fenno (1966) observed that the task of the appropriations committee is accomplished by its subcommittees, and the chairpersons of the House and Senate Appropriations subcommittees often single-handedly determine whether a distributive project will be allowed in their appropriations (Savage, 1991). If subcommittees are the locus of decision-making, then subcommittee chairs and their minority party counterpart can secure greater benefits because they control the flow of pork.

Balla, Lawrence, Maltzman, and Sigelman (2002) concluded that districts represented by a subcommittee's chairman of the House Appropriations Committee were more likely to secure a higher education earmark during the fiscal years from 1995 to 2000. Lazarus (2010) showed that the members of the appropriations committee receive more earmarks than the average member and the chairmen of the subcommittee in the appropriations committee receive more earmarks than other appropriations members using the data from House appropriations bills for the fiscal year 2008. Clemens et al. (2015) found that a legislator's status such as chairman or ranking member of the appropriation subcommittee has the most influence on the distribution of earmarks by analyzing the earmarks in the House appropriations bills for the fiscal years 2008 and 2009.

In terms of seniority, senior members may enjoy advantages in the distributive politics game because they are generally more effective in legislative politics (F. E. Lee, 2003). Senior members have had more opportunities to accrue formal institutional authority,

establish personal relationships, and accumulate policy expertise that can be used to secure distributive benefits (Balla et al., 2002; Kingdon, 1989). Some studies showed that senior members receive more earmarks than junior members (Balla et al., 2002; Clemens et al., 2015; Lazarus, 2010).

On the other hand, the partisan model insists that the party plays a significant institutional role in distribution politics because the party can control the agenda to protect its majority and the party leaders seek to use earmarks to build majority coalitions for their general-interest policy goals (Evans, 2004). The partisan model suggests that the role of the committee is considered an agent of the majority party because a party designates legislators who represent the party's view as committee members (Balla et al., 2002; Evans, 2004). As a result, majority party members can secure more budget benefits than the minority party members.

Some studies showed evidence of a partisan element in the distribution of earmarks (Balla et al., 2002; F. E. Lee, 2003). F. E. Lee (2003) showed that Republicans of the House, being the majority, enjoyed an advantage on the 1998 reauthorization of surface transportation programs. Balla et al. (2002) showed that districts represented by minority party members were just as likely as their majority party counterparts to receive academic earmarks during the period from 1995 to 2000, but majority party members secured more valuable earmarks than minority members in the House. They named this pattern as the party-blame-avoid theory, which means that the majority party may share pork-barrel projects with the minority

party to avoid the blame for squandering public resources, but the majority party cuts the minority in on the pork in return for the minority's support. Members of the minority party may support the majority's unequal distribution because securing some pork is better for their own re-election than opposing all pork (Balla et al., 2002). Clemens et al. (2015) showed that the majority party received more earmark dollars than the minority in the House's appropriations bills for fiscal years 2008 and 2009.

However, other empirical analyses did not find significant statistical evidence that the majority party has an advantage when it seeks to secure more budget benefits. Evans (2004) found no partisanship in the House Public Works and Transportation Committee's distribution of highway demonstration projects in the 1987 and 1991 reauthorizations of federal transportation programs. Lazarus (2010) did not find significant evidence that party affiliation has a positive impact on the awarding of earmarks by analyzing the earmarks of House appropriations bills for the fiscal year 2008.

In sum, as shown in Table 4, the literature found that institutional factors or partisanship can affect the distribution of pork-barrel projects awarded by the legislature. However, there is a significant variation across periods, parties, and subcommittees in the rate at which members receive the budget benefits.

Table 3. Allocation of Pork–barrel Benefits

Model	Members of the Committee	Motive	Role of the Committee
Committee–centered model	High demand for benefits of specific jurisdiction	Individual benefits (Satisfy the local demand)	Agents of floor majority
Partisan model	Representative of party’s view	Collective benefits (Keep the majority)	Agents of the majority party

Table 4. Empirical Analysis on Distribution Politics in the Legislature

Author	Data	Explanatory Variables			
		Member of the Transportation and Infrastructure Committee	Leader of the Transportation and Infrastructure Committee	Seniority	Majority Party Member
F. E. Lee (2003)	1998 Transportation Reauthorization	O	O	X	O
Evans (2004)	1991 Transportation Reauthorization	O	–	–	X
Author	Data	Appropriations Committee Member	Chair of Subcommittee	Seniority	Majority Party Member
Balla et al. (2002)	Appropriation earmarks to institutions of higher education made between 1995 and 2000	O (Senate)	O (House)	O (Senate)	O (House)
Lazarus (2010)	Earmarks of House Appropriation bills for the fiscal year 2008	O	O	O	X
Clemens et al. (2015)	Earmarks of House Appropriation bills for the fiscal years 2008 and 2009	O	O	O	O

*O: a positive impact on securing earmarks; X: no finding of a significantly positive impact

2.3. Previous Research on Korean Budget Deliberations

The power or authority of the legislature in the budget process differs from country to country and depends on the government type, the party system, the institutional structure of the legislature, and the structure of the budget (Posner & Park, 2008). The U.S. has the presidential separation-of-powers system and a bicameral legislature, whereas Korea has a semi-presidential system and a unity structure of the legislature. Thus, budget deliberations by the Korean National Assembly may have different characteristics from those of the United States legislature.

Various studies have been conducted on the budget deliberation of the Korean National Assembly using surveys, content analysis, or statistical analysis.

First, the initial research examined the factors affecting assemblymen behavior using a survey. S. Kim, Jang, and Kang (2000) analyzed newspaper editorials from 1990 to 1998 and found that the media pointed out partisanship as the major problem in budget deliberations. A survey of SCBA members showed that the members of both the ruling and opposition parties tend to follow their party's policies and link the budget process to political issues. H. Kim and Jang (2001) also showed that lawmakers were significantly affected by the party's policies or political issues.

Next, some studies analyzed the budget deliberation process based on the net revised rate or the gross revised rate of the total

budget amount. These studies showed that political factors such as the size of the ruling party or election were significant determinants affecting budget deliberations.

I. Kim, Kang, and Kim (2001) analyzed the results of budget deliberations from 1965 to 2000 and found that the gross budget revision rate varied significantly depending on the size of the ruling party. This research also showed that high political tension and the new President's first budget affected the gross budget revision rate.

Chang and Yoon (2002) analyzed the net revised budget amount as the budget deliberation results based on 25 years of time-series data starting in 1972. According to this study, the proportion of the legislature held by the ruling party's members is the only significant factor affecting the net revised budget amount.

Jeong (2019) analyzed the determinants of budget deliberation based on the data from 2007 to 2019 and found that presidential elections affected the increase in the general and special accounts during budget deliberations. This research also showed that the proportion of the ruling party's members in the SCBA and the number of SCBA meetings affected the reduction of the amount of funds.

These studies have argued that political conflicts stemming from partisanship and elections strongly affect the legislature's behavior (Chang & Yoon, 2002; H. Kim & Jang, 2001; I. Kim et al., 2001; S. Kim et al., 2000). Researchers have also claimed that improving the professionalism of the legislature could prevent these political conflicts. As a result, the National Assembly has expanded its organizations and staff to increase professionalism. For example, the

SCBA became a year-round operation in 2000, and the National Assembly Budget Office (NABO) was established in 2003.

Nevertheless, budget deliberations have still been blamed for the political behavior of the legislators. Legislators have been criticized for their tendency to secure inefficient budget-slips or pork-barrel projects in the budget process (Bae, 2016; H. Hong, 2018). Thus, recent studies have focused on the character or results of the legislators' budget requests.

W. Lee (2003) suggested that the strengthened legislative power caused pork-barrel politics in the National Assembly. This study analyzed the projects, which were increased during SCBA deliberations in 2001, and divided these projects into four types based on process and efficiency.

Ha and Kang (2016) analyzed the minutes of the SCBA and found that the members of the ruling party were likely to request more for special beneficiaries than the opposing party members in the SCBA budget deliberation process for higher education.

Bae (2016) examined budget-slips from 2012 to 2015 and showed that they tended to increase, particularly ahead of the election of National Assembly members. This study found that the members of the ruling party were likely to secure larger budget-slips than opposition party members and that budget-slips were used to enhance the political position of first-time or re-elected members of the National Assembly.

H. Hong (2018) analyzed budget deliberations from 2006 to 2015 based on the concept of pork-barrel politics. This study showed that

increasing the power of the National Assembly was the driving force behind these politically motivated expenditures, but the institutional constraints of the budget deliberation process controlled pork-barrel spending.

Y. Kim and Kim (2018) found that budget programs related to tangible outcomes and assemblymen’s individual benefits are likely to increase the amount in the budget deliberation process.

In conclusion, as shown in Table 5, previous research has shown that political factors such as elections and partisanship influence the behavior of individual legislators in budget deliberations.

Table 5. Previous Research

Author	Methodology	Dependent Variables	Determinants
Behavior of Assemblymen on Budget Deliberations			
S. Kim et al. (2000)	Content analysis, Survey	Assemblymen’s behavior	–Party’s policies –Political issues
H. Kim and Jang (2001)	Survey	Assemblymen’s behavior	–Party policies –Political issues
Determinants for the Revision of the Total Budget Amount			
I. Kim et al. (2001)	Regression Analysis	Reduction, Increase, Gross revised rate	–First budget of the new President –Proportion of the ruling party’s members –Number of delay days
Chang and Yoon (2002)	Regression Analysis	Net revised budget amount	–Proportion of the ruling party’s members
Jeong (2019)	Regression Analysis	Increase amount of the general and special account	–Presidential election

Author	Methodology	Dependent Variables	Determinants
		Reduction amount of the funds	<ul style="list-style-type: none"> -Proportion of the ruling party's members in the SCBA -Number of SCBA meetings

Characters and Determinants of Budget Increase Revisions

W. Lee (2003)	Categorization	Increased projects by the SCBA	<ul style="list-style-type: none"> -Due process and efficiency
Ha and Kang (2016)	Content Analysis	Budget requests for the special beneficiary	<ul style="list-style-type: none"> -Ruling party members
Bae (2016)	Exploratory Study	Budget-slips	<ul style="list-style-type: none"> -Election vulnerability -Ruling party members
H. Hong (2018)	E. Ostrom's Model, Survey	Pork-barrel	<ul style="list-style-type: none"> -Strengthened power of the National Assembly -Institutional constraints
Y. Kim and Kim (2018)	Logistic and Probit Analysis	Increase revision of the budget program	<ul style="list-style-type: none"> -Tangible outcome of the budget program -Assemblymen' individual benefits

However, the previous studies could not explain what factors determined the success of budget-slips or pork-barreling efforts. The current budget system, which makes a final budget decision during a secret meeting between the executive secretaries (or subcommittee members) of the SCBA and the budget officers of the Ministry of Economy and Finance (MOEF), was regarded as the plausible cause of inefficient budget distribution (J. Park, 2013). It is unclear which factors operating within secret meetings can drive this political budget distribution.

Some studies showed only the result of pork-barrel politics in budget deliberations. W. Lee (2003) analyzed all increased projects

by the SCBA in 2001. Bae (2016) only showed the aggregate pattern of the distribution of budget-slips among the legislators. Meanwhile, H. Hong (2018) just assumed that the budget was distributed according to the political influence of each member of the National Assembly based on media articles.

Thus, it is important to open this black box by highlighting some important determinants of the budget deliberation process in the National Assembly. This study will explain the critical factors that affect the adoption of budget requests and will show that the political influence of the legislator is used to secure more budget benefits under the current budget deliberation system by empirical analysis based on real budget deliberation data.

Chapter 3. Research Design

3.1. Theoretical Framework and Hypotheses

This study examines whether the political influence of the legislators affects the adoption of budget requests in the budget deliberation of the SCBA. In the literature, there are two conceptually different models of the political distribution of budget resources in the legislature. The committee-centered model assumes that individual legislators are able to claim the budget credit using their political advantages inside the legislature, including committee membership and seniority (Weingast et al., 1981). Alternatively, the partisan model emphasizes that the majority party plays a significant role in giving more budget benefits to its own members (Balla et al., 2002). Thus, this study establishes three hypotheses as follows.

H1: Budget requests from subcommittee members in the SCBA have a higher probability of being adopted than those from non-subcommittee members.

In the U.S. Congress, the House and Senate Appropriations Committees prepare appropriation bills on discretionary spending in the budget process. The Appropriations Committees split the total discretionary spending among their subcommittees, and the subcommittee chair usually makes the final appropriation bill (Schick, 2000). In this process, the subcommittee chairman and ranking member, who have the status to participate in the budget decision—

making process, have the advantage of being able to incorporate their interests in the budget (Balla et al., 2002; Clemens et al., 2015; Lazarus, 2010; Savage, 1991; Strom, 1975). Schick (2000) showed that the subcommittee members of the Appropriation Committee get the biggest budget benefits, with full committee members next in line.

Similarly, in the Korean National Assembly, the subcommittee of the SCBA, which consists of the SCBA chairman, executive secretaries of the negotiating parties in the SCBA, and the designated members of the negotiating parties, decides on the adoption of budget requests. It is customary for the Vice Minister of the MOEF and the SCBA executive secretaries to conduct a secret meeting to make the final decisions regarding the revision of the executive's budget bill (Bae, 2016; H. Hong, 2018). The other subcommittee members of the SCBA can negotiate with the MOEF officers regarding the budget requests that are related to local constituencies (H. Hong, 2018).

H. Hong (2018) insisted that most people believe that institutional authority has a positive impact, directing resources toward needed projects. The media have shown that the executive secretaries or other subcommittee members secure budget benefits for their constituency using their institutional advantage (J. Kim & Choi, 2017). Thus, this study assumes that executive secretaries and other subcommittee members of the SCBA have the ability to secure more budget benefits than other legislators have.

H2: Budget requests proposed by a senior member have a higher probability of being adopted than those suggested by a junior (first –

or second-term) member.

Senior members have more bargaining power than junior members because they have accumulated formal institutional authority and informal status within the National Assembly (H. Hong, 2018; Kingdon, 1989; Lazarus, 2010). Senior members also have a stronger negotiating position with the executive in the budget deliberation process because they have more experience and policy expertise (Meyer & Naka, 1998). In the U.S., some studies have shown that the seniority of members can affect the distribution of earmarks in appropriation bills (Balla et al., 2002; Clemens et al., 2015; Lazarus, 2010)

In Korea, news media claimed that the constituencies of some senior legislators secured budget allocations during the budget process of the Korean National Assembly (Choi, 2013). H. Hong (2018) showed that most people think that the senior member has an important role in the party and that seniority has a positive impact on the budget decision-making process. Thus, this study assumes that the senior members of the SCBA may have an advantage when trying to secure budget benefits that advance their own political interests during the budget deliberation process.

H3: Budget requests made by the members of the ruling party have a higher probability of being adopted than those of the opposition party's members.

The majority party may have a greater ability to secure more benefits for its members in distribution politics (Balla et al., 2002;

Clemens et al., 2015). The minimum coalition theory posits that the governing party enjoys every budget benefit (Buchanan & Tullock, 1962). The party-blame-avoid theory assumed that the ruling party shares budget benefits with the opposition party not to avoid the blame of budget profligacy but rather to discriminate against the minority party (Balla et al., 2002). In the U.S., some studies showed evidence of a partisan element in the distribution of earmarks (Balla et al., 2002; Clemens et al., 2015; F. E. Lee, 2003)

In the Korean National Assembly, the members of the ruling party generally try to obtain more budget benefits, whereas the members of the opposition party tend to focus on cutting the budget (Ha & Kang, 2016). Moreover, the executive is more likely to accept the requests of the ruling party's members because they share similar policy goals developed through formal and informal meetings between the executive and the ruling party. Therefore, this study assumes that ruling party members can more easily secure budget benefits than opposition party members can.

3.2. Variables

3.2.1. Dependent Variable

This study looked at whether the political influence of legislators affects the adoption of the budget request during the budget deliberation process. The dependent variable was a binary variable, that is, the adoption or rejection of the budget request. If the budget

request was adopted, the budget amount of the approved budget was larger than that of the executive budget bill.

3.2.2. Independent Variables

The independent variable is related to the political influence of the budget requestor. First, SCBA subcommittee membership was a dummy variable and coded 0 if any member who proposed the budget request was one of the executive secretaries of the SCBA^⑤, 1 if any member who suggested the budget request was a member of the subcommittee (except the executive secretary), and 2 otherwise.

Next, seniority was a dummy variable and coded 0 if “the number of terms served” of the budget requestor was more than three and 1 if the members who proposed the budget request were first- or second-term members^⑥.

Lastly, party affiliation was a dummy variable and coded 0 if all members who proposed the budget request were ruling party members, 1 if the budget requestors were a mixture of the ruling and opposition party members, and 2 if all members who proposed the budget request were opposition party members^⑦.

^⑤ There were two executive secretaries of the SCBA (Hakyong Kim and Jaesung Choi) in 2013, two (Sungtae Kim and Minsuk Ahn) in 2015, three (Kwangduk Joo, Taeyeon Kim, and Dongchul Kim) in 2016, four (Hooduk Yoon, Doeup Kim, Joo Hong Whang, and Chulho Hong) in 2017, four (Hooduk Yoon, Doeup Kim, Kwanyoung Kim, and Joo honh Hwang) in 2018, and three (Hooduk Yoon, Jongbae Lee, and Sangwook Ji) in 2019.

^⑥ There were 12 senior members of the SCBA in 2013, 8 in 2015, 11 in 2016, 8 in 2017, 7 in 2018, and 2 in 2019.

^⑦ The ruling party is not the majority party but the President’s party. The ruling party was the Saenuri party (the Conservative party) from 2013 to 2016 and the Minjoo party (the Democratic Party) from 2017 to 2019.

3.2.3. Control Variables

The control variables were related to the factors that could affect budget deliberation according to the precedent literature apart from the political influence of the legislators (Table 6).

First, a budget with a specific beneficiary, such as a specific district, a government agency, or interest groups, was regarded as an inefficient budget for constituencies (Y. Kim & Kim, 2018). Lowi (1964) pointed out that distribution policies like pork-barrel projects have different characters from regulation or redistribution. Additionally, legislators were likely to secure the budget for a government agency or interest groups related to their membership on a standing committee (Bae, 2016). In this regard, this study established two control variables: local project and membership of the competent standing committee.

Local project was coded 0 if the budget request had a specified regional beneficiary and 1 otherwise. Membership of the competent standing committee was coded 0 if the member who proposed the budget request was a member of the standing committee in charge of the ministry that manages the suggested budget program and 1 otherwise.

Second, year was a dummy variable, and each year got a different code because, according to the political budget cycles theory, each year had different political and economic environments, such as an election year, that could affect the budget review process (Jeong, 2019).

Third, the executive's priority for budget items could affect the adoption of budget requests because the Constitution of the Republic of Korea (Article 57) stipulates that the National Assembly must obtain the consent of the executive if the legislature increases the expenditure amount of any budget program or creates any new items during the budget deliberation process. In addition, the executive feels the burden when it consents to a budget request that other lawmakers are considering cutting. Therefore, this study examined whether the budget program of the budget request was in the executive's budget bill or not and whether the budget requests were related to the cutting opinion of other legislators.

The executive's priority was a dummy variable and coded 1 if the budget program of the budget request was in the executive's supplementary budget bill without the cutting-down opinion of the other legislators, 2 if the budget program was in the executive's budget bill with the cutting-down opinion of the other legislators but it was not reduced, and 3 if the budget program was in the executive's budget bill and was reduced through the budget deliberation process. The executive's priority was coded 4 if the budget program was not in the executive's supplementary budget bill but rather in the regular budget and 5 if the budget program was new.

Fourth, the money amount of budget request could affect the adoption of the budget request because budgeting is a process of distributing limited resources. The amount of the budget request was a dummy variable and coded 1 for under 3 billion KRW, 2 for 3–10 billion KRW, 3 for 10–100 billion KRW, 4 for over 100 billion KRW,

and 5 if the amount was not specified.

Lastly, the preliminary review result could affect the budget deliberation of the SCBA because the National Assembly Act (Article 84) stipulated that the SCBA should respect the preliminary review of the standing committee. The preliminary review was a dummy variable and coded 0 if the budget request has the recommendation of the preliminary review, 1 if it did not have the recommendation of the preliminary review, and 2 if the standing committee did not report the preliminary review result to the Speaker of the National Assembly.

Table 6. Variable Definition

Variable	Code		
Dependent Variable			
Budget Request Adoption	Adoption of the budget request = 0 Rejection of the budget request = 1		
Independent Variables			
Subcommittee Membership	Executive secretary = 0 Subcommittee member (Except executive secretary) = 1 Non-subcommittee member = 2		
Seniority	Three or more re-elected member = 0 First- or second-term member = 1		
Party Affiliation	Ruling party = 0 Mixture of the Ruling and Opposition Party = 1 Opposition party = 2		
Control Variables			
Local Project	Specified regional beneficiary = 0 Otherwise = 1		
Standing Committee Membership	Membership on the competent standing committee = 0 Otherwise = 1		
Year	2013 = 1, 2015 = 2, 2016 = 3, 2017 = 4, 2018 = 5, 2019 = 6		
Priority of the Executive	Type	Executive's Supplementary Budget bill	National Assembly Reduction Opinion
	1	Include	No
	2	Include	Yes, but not reduced
	3	Include	Yes, and reduced
	4	No, but in the regular budget	-
5	New program	-	
Requested Amount	0-3 million KRW = 1 3-10 million KRW = 2 10-100 million KRW = 3 Over 100 million KRW = 4 Not specified = 5		
Preliminary Opinion	Budget request in preliminary review = 0 No budget request in preliminary review = 1 No preliminary review result = 2		

3.3. Data

This study analyzes the adoption of budget requests on the supplementary budget bill of the SCBA for the fiscal years from 2013 to 2019.

First, this study analyzes all budget requests by SCBA members. The precedent studies analyzed the increased projects as the budget deliberation result. W. Lee (2003) analyzed all increased projects by the SCBA in 2001. Bae (2016) focused on the budget-slip, which means that the increased amount of budget program is larger than the requested amount by the standing committee or the SCBA. However, the focus of this study is not on the result of the budget review but on the process of budget deliberation. Thus, this study looks at all budget requests by SCBA members.

Second, this study focuses not on the regular budget but rather on the supplementary budget because it appears that the legislature has greater revision authority over the supplementary budget than over the regular budget. According to the Constitution of the Republic of Korea (Article 57), the National Assembly must obtain the consent of the executive to increase the sum of any item of expenditure or create any new items of expenditure in the budget submitted by the executive.

The National Assembly has more negotiation power to secure the consent of the executive on the supplementary budget than on the regular budget bill because the legislature's deliberation over the supplementary budget bill has no deadline and cannot be applied by

the automatic submission of the budget bill to the plenary session^⑧. As shown in Table 7, the average increase in supplementary budget bills from 2013 to 2019 was 5.4%, which was more than 1.0% of the regular budget. Therefore, the supplementary budget review revealed the political influence of the legislators on the budget process.

Table 7. Average Expenditure Revision for the Fiscal Years from 2013 to 2019

(unit: trillion KRW, %)

	Expenditure of the Budget bill (A)	Increase Revision		Reduction Revision	
		Amount (B)	Rate (C=B/A)	Amount (D)	Rate (E=D/A)
Regular	394.7	4.0	1.0	4.7	1.2%
Supplementary	8.3	0.5	5.4	0.8	9.5%

Source: Nabostats (2020). Available: www.nabostats.go.kr

Third, the data for this study were acquired from budget deliberations for the fiscal years from 2013 to 2019. As shown in Table 8, there were six supplementary budgets from 2013 to 2019. This study focuses on 2.7 trillion KRW, which is the total amount of increase in the six revised supplementary budget bills.

^⑧ According to the amendment of the National Assembly Act of May 2012, the executive's budget bill will be referred to the plenary session of the National Assembly unconditionally on December 1 if the standing committee and the SCBA fail to complete the budget review by November 30.

Table 8. Supplementary Budgets for the Fiscal Years from 2013 to 2019

(unit: trillion KRW)

	Submission Date	Approval Date	Total Expenditure of the Executive's Supplementary Budget Bill (A)	Expenditure Change in Budget Deliberation		
				Increased Revision (B)	Reduced Revision (C)	Approved Total Expenditure (D = A+B-C)
2013	Apr 18	May 7	7.0	0.5	0.5	7.0
2015	Jul 6	Jul 24	9.3	0.4	0.5	9.3
2016	Jul 26	Sep 1	12.2	0.4	0.5	12.1
2017	Jun 7	Jul 22	10.6	0.3	1.3	9.6
2018	Apr 6	May 21	3.9	0.6	0.6	3.8
2019	Apr 25	Aug 2	6.7	0.5	1.3	5.8
Total	—	—	49.7	2.7	4.7	47.6

Source: Bill Information System (2020). Available: <https://likms.assembly.go.kr/bill>

Fourth, this study analyzed the budget deliberations of the SCBA, not of the standing committee, because there was little rivalry for budget requests given that the standing committee has no consideration of the total amount of budget. Furthermore, the SCBA made the final revised decision on the executive's budget bill.

The data were obtained from the subcommittee review document of the SCBA. This document includes proposals of standing committees and revision opinions of the SCBA during the general discussion. Information regarding budget requests was acquired from the subcommittee documents of the SCBA, which included the name and code of the budget program, the requested amount, the preliminary review recommendation, the purpose of the budget

request, and the name of the requestors^⑨. This document was distributed at the budget deliberation meeting of the subcommittee of the SCBA, and the subcommittee review is carried out based on this document. However, this document is not official data open to the public.

Lastly, the result of the budget request was acquired from the review report of the National Assembly Bill System. The data of member's subcommittee membership, party affiliation, and seniority were obtained from the National Assembly and Central Election Management Committee.

3.4. Methodology

This analysis uses binary logistic regression because the dependent variable is binary. The logistic regression model forms a linear combination of the explanatory variable from impact to logit. Logit is the natural logarithm of the odds, which is the ratio of the probability of an event to the probability of a nonevent (Wilson & Lorenz, 2015).

The following equation demonstrates the process, where π is the probability that Y_i , Y_i is whether the budget request is adopted or not, X_i is the independent and control variables such as subcommittee

^⑨ The form of the subcommittee documents of the SCBA

Detailed program name	Budget Amount	Preliminary review	Requesting amount	Purpose	Requestor(s)
Name (Code)	000	Standing Committee	000	Xxx	A, B, C

membership, seniority, and party affiliation, and β_i is the regression coefficient.

$$\ln\left(\frac{\pi_i}{1-\pi_i}\right) = \beta_0 + \sum \beta_i X_i \quad (1)$$

$$s. t. \pi_i = \Pr(Y = 1)$$

Chapter 4. Result

4.1. Descriptive Statistics

This study analyzes 1,342 budget requests suggested by SCBA members on the executive's supplementary budget bill from 2013 to 2019¹⁰. Of these requests, the National Assembly adopted 245 and rejected 1,097. Table 9 shows the adoption ratio of requests according to independent and control variables.

First, in terms of subcommittee membership, 367 budget requests had executive secretaries in the proposers, of which 106 budget requests were adopted and the adoption rate was 28.88 percent. There were 264 budget requests that had at least one subcommittee member of SCBA (except executive secretary) as a budget requestor, of which 57 budget requests were adopted and the adoption rate was 21.59 percent. And 711 budget requests did not include subcommittee members of SCBA in the proposer, of which only 82 were adopted and the adoption rate was 11.53 percent.

Second, in terms of seniority, 326 budget requests had a senior member as a budget requestor, of which 82 were adopted and the adoption rate was 25.15 percent. There were 1,016 budget requests, which requestors consist of the junior member, of which 163 were adopted and the adoption rate was 16.04 percent.

Third, in terms of party affiliation, 524 budget requests had only

¹⁰ There were a total of 1,447 budget requests, but 105 budget requests from only the standing committee were excluded because the political influence of the budget requestors could not be analyzed from these requests.

ruling party members in the proposers, of which 75 were adopted and the adoption rate 14.31 percent. And 541 budget requests had only opposition party members in the proposers, of which 80 were adopted and adoption rate 14.79 percent. Meanwhile, 277 budget requests had both party supports, of which 90 were adopted and the adoption rate was 32.49 percent.

Lastly, in terms of control variables, 794 budget requests had specified regional beneficiaries, 435 budget requests had a member of the standing committee in charge of the ministry which manages the suggested budget program in proposer. The number of the annual budget requests was similar to around 220 budget requests, except for 314 budget requests in 2013 and 130 budget requests in 2016.

For the type of budget request, 665 budget requests are included in the regular budget but not in the supplementary budget, and 431 budget requests are included in the supplementary budget but increase the amount, and 245 budget requests are new projects. In addition, there were 601 budget requests of less than 3 billion won, 293 budget requests of 3 billion won to 10 billion won, 296 budget requests of 10 billion won to 100 billion won, 63 budget requests of more than 100 billion won, and 89 budget requests were not specified the amount.

Moreover, 203 budget requests had the recommendation of the preliminary review, 684 budget requests did not have the recommendation of the preliminary review, and 455 budget requests were budgeted under the jurisdiction of standing committees that did not hold or complete preliminary review meetings.

Table 9. Descriptive Statistics

Variable	Category	Adopted		Rejected		Total
		N	%	N	%	
Total		245	18.26	1,097	81.74	1,342
Subcommittee Membership	Executive secretary	106	28.88	261	71.12	367
	Subcommittee member	57	21.59	207	78.41	264
	Non-subcommittee member	82	11.53	629	88.47	711
Seniority	Senior member	82	25.15	244	74.85	326
	Junior member	163	16.04	853	83.96	1,016
Party Affiliation	Ruling party	75	14.31	449	85.69	524
	Mixture of ruling & opposition	90	32.49	187	67.51	277
	Opposition party	80	14.79	461	85.21	541
Local Project	Local project	105	13.22	689	86.78	794
	General project	140	25.55	408	74.45	548
Standing Committee Membership	Inclusion	81	18.62	354	81.38	435
	Noninclusion	164	18.08	743	81.92	907
Year	FY2013	49	15.61	265	84.39	314
	FY2015	42	19.35	175	80.65	217
	FY2016	17	13.08	113	84.65	130
	FY2017	35	15.35	193	69.23	228
	FY2018	72	30.77	162	86.30	234
	FY2019	30	13.70	189	81.74	219
Priority of the Executive	Type 1	51	26.15	144	73.85	195
	Type 2	23	15.33	127	84.67	150
	Type 3	6	6.98	80	93.02	86
	Type 4	141	21.20	524	78.80	665
	Type 5	24	9.76	222	90.24	246
Requested Amount (Billion KRW)	<30	97	16.14	504	83.86	601
	30-100	50	17.06	243	82.94	293
	100- 1,000	74	25.00	222	75.00	296
	>1,000	17	26.98	46	73.02	63
	Nonspecific	7	7.87	82	92.13	89
Preliminary Review	Budget request in preliminary review	62	30.54	141	69.46	203
	No budget request in preliminary review	86	12.57	598	87.43	684
	Non preliminary review result	97	21.32	358	78.68	455

4.2. Binary Logistic Model

This study constructs a binary logistic model and uses the statistical package SPSS. As shown in Table 10, this study used the Hosmer and Lemeshow test to check the model fit. The Hosmer and Lemeshow test checked the model fit using the difference in the observed event rates and the expected event rates (Ko, 2017). The chi-square test result was 6.614, and the significance level was 0.579, which was greater than 0.05. Thus, the model's goodness-of-fit is acceptable.

Table 10. Model Verification

Variable		Value
Summary	-2 Log likelihood	1067.433
	Cox & Snell R ²	0.144
	Nagelkerke R ²	0.234
Hosmer & Lemeshow Test	X ²	6.614
	Degree of freedom	8
	Significance level	0.579

4.3. Analysis Results

Table 11 shows the results of the binary logistic regression for the budget request adoption in the SBCA budget deliberations. It suggests an odds ratio, which indicates the ratio of the request adoption probability to the request rejection probability of each categorical group to the reference group. If the odds ratio is significantly larger than 1, the budget requests of each categorical group are more likely to be adopted than the budget requests of the

reference groups. The finding was that subcommittee membership has a statistically significant influence on the probability of request adoption, with a 95% confidence level.

Table 11. Result of the Binary Logistic Regression

	B	S.E.	Wald	Df	Sig.	Exp (B)	95% C.I. for EXP(B)	
							Lower	Upper
Subcommittee membership (Reference group: Non-subcommittee member)								
- Executive secretary	.762	.214	12.704	1	.000***	2.143	1.409	3.259
- Subcommittee member	.677	.213	10.143	1	.001***	1.968	1.297	2.984
Seniority (Reference group: Junior member)								
- Senior member	.068	.200	.114	1	.736	1.070	.722	1.585
Party affiliation (Reference group: Opposition party)								
- Ruling party	.086	.205	.177	1	.674	1.090	.729	1.630
- Mixture	.805	.209	14.908	1	.000***	2.237	1.487	3.366
Local project (Reference group: General project)								
- Local project	-.916	.176	27.022	1	.000***	.400	.283	.565
Relevant standing committee member's request (Reference group: Noninclusion)								
- Inclusion	-.533	.182	8.520	1	.004***	.587	.411	.840
Year (Reference group: FY 2019)								
- FY2013	.642	.330	3.786	1	.052	1.899	.995	3.625
- FY2015	.703	.334	4.414	1	.036**	2.019	1.048	3.888
- FY2016	.750	.394	3.618	1	.057	2.117	.977	4.586
- FY2017	.124	.309	.161	1	.688	1.132	.618	2.073
- FY2018	1.456	.279	27.202	1	.000***	4.287	2.481	7.409

	B	S.E.	Wald	Df	Sig.	Exp (B)	95% C.I. for EXP(B)	
							Lower	Upper
Priority of the executive (Reference group: Type 5)								
- Type 1	1.625	.316	26.499	1	.000***	5.076	2.735	9.423
- Type 2	.867	.347	6.241	1	.012**	2.379	1.205	4.697
- Type 3	-.242	.511	.224	1	.636	.785	.289	2.137
- Type 4	1.184	.258	21.090	1	.000***	3.269	1.972	5.419
Requested amount (Billion KRW) (Reference group: Nonspecified)								
- <30	.708	.436	2.634	1	.105	2.030	.863	4.775
- 30-100	.620	.454	1.866	1	.172	1.858	.764	4.522
- 100-1,000	.995	.445	4.995	1	.025**	2.704	1.130	6.468
- >1,000	.881	.520	2.868	1	.090	2.413	.871	6.687
Preliminary review (Reference group: Non preliminary review result)								
- Budget request	.326	.293	1.239	1	.266	1.385	.780	2.458
- Non budget request	-.531	.251	4.486	1	.034**	.588	.360	.961
Constant	-3.695	.565	42.742	1	.000	.025		

* Variable(s) entered on step; p < .05*, p < .01**, and p < .001***

First, in terms of subcommittee membership of the SCBA, budget requests suggested by subcommittee members show a higher probability of being adopted than requests of non-subcommittee members. The analysis shows that the odds ratios of the requests suggested by executive secretaries or other subcommittee members are 2.14 and 1.97 times higher than those proposed by non-subcommittee members, respectively.

This finding suggests that the SCBA subcommittee members who have the direct status to participate in the budget decision-making process have an advantage in terms of being able to shape the budget to suit their interests. The interest or priority of the executive secretaries or other subcommittee members may influence the political budget distribution in SCBA budget deliberations. The executive secretaries and the other subcommittee members have been criticized for using their institutional advantage to secure budget benefits for their constituencies (H. Hong, 2018; J. Park, 2013). The finding of this study confirms this perception regarding the political advantage of subcommittee members.

Among the SCBA subcommittee members, the executive secretaries of the negotiating party show a larger odds ratio than other subcommittee members, implying that executive secretaries have more power to secure budget benefits. The executive secretaries can make final decisions regarding revisions to the executive's budget bill, and other subcommittee members deal only with the related local budget requests (Bae, 2016; H. Hong, 2018)

Next, in terms of seniority, there is no significant evidence that senior members obtain more budget benefits than junior members in SCBA budget deliberations. Thus, the hypothesis related to senior members is rejected. This implies that the seniority of the budget requestors does not significantly affect the adoption of budget requests by the SCBA.

One possible explanation of why seniority does not significantly affect the budget request adoption is that the members of the National

Assembly mainly regard securing budget benefits as a way to support junior members who are politically vulnerable. Lazarus (2010) argued that party leaders protect vulnerable members by giving them budget projects. Similarly, the political parties in the Korean National Assembly can designate first- and second-term assemblymen as members of the SCBA to strengthen their political position (Bae, 2016). In practice, the party assigns more than four-fifths of its SCBA seats to first- and second-term assemblymen.

Lastly, in terms of party affiliation, this study did not find significant statistical evidence that the budget requests of the ruling party members are more likely to be adopted than those of the opposition party members. However, budget requests supported by both parties' members showed a higher probability of being adopted than budget requests made only by members of the opposition party. The analysis showed that the odds ratios of the budget requests suggested by both parties were 2.24 times greater than those proposed by opposition members.

This finding implies that the ruling party and the opposition party are not unilaterally exercising their powers in SCBA budget deliberations. The members of the SCBA share budget benefits instead of discriminating against the opposition parties. That is, the legislators can build coalitions to secure budget benefits for their constituencies regardless of their party affiliation. Decision-makers prefer budget requests that are supported by both parties to those supported by only one party.

This result suggests that SCBA budget deliberations do not follow the partisan influence model. The partisan influence model assumes that the ruling party has a large incentive to prefer its own members' requests to help them win re-election while discriminating against the budget requests of the members of the minority or opposition party (Balla et al., 2002).

A possible reason why party affiliation does not significantly affect the budget allocation is that the SCBA budget deliberation system is designed to emphasize an agreement between the ruling and opposition parties rather than the ruling party's sole decision. The SCBA and SCBA subcommittee are organized in proportion to the number of National Assembly members belonging to each negotiating party,^⑩ and the major decisions of budget revisions are made through negotiations between the executive secretaries of the negotiating parties (SCBA, 2019). Thus, the ruling and opposition parties might make a successful coalition to secure budget benefits in SCBA budget deliberations.

In conclusion, this study finds that legislator's abilities to secure budget benefits depend on SCBA subcommittee membership rather than seniority or ruling party affiliation (Table 12). The data show that the members of the SCBA subcommittee enjoy an advantage in securing budget benefits through the SCBA-centered budget deliberation system without regard to seniority or party.

^⑩ Any political party having at least 20 members in the National Assembly can organize a negotiating party. At least 20 National Assembly members who do not belong to other negotiating parties may organize a separate negotiating party.

Table 12. Hypothesis Adoption

Hypothesis	Adopted /Rejected
H1: Subcommittee Membership	
Budget requests from subcommittee members in the SCBA have a higher probability of being adopted than those from non-subcommittee members.	Adopted
H2: Seniority	
Budget requests proposed by a senior member have a higher probability of being adopted than those suggested by a junior (first- or second-term) member.	Rejected
H3: Party Affiliation	
Budget requests made by the members of the ruling party have a higher probability of being adopted than those of the opposition party's members.	Rejected

Chapter 5. Conclusion

5.1. Summary

Each member of the SCBA proposes budget requests in response to the demands of his party, constituency, or interest groups. The total amount of these budget requests typically exceeds the available budget resources. Therefore, the SCBA must choose some budget requests for reflecting the approved budget. In the competition among legislators for the adoption of budget requests, legislators try to form a coalition, trade votes, or use their clout to exercise political influence.

Ideally, the SCBA decision-makers have to take into account the values of efficiency, effectiveness, equality, responsiveness, and legitimacy in the budget process. However, it is a general belief that the current short period, nontransparent, and SCBA-centered budget deliberation system increases the likelihood that the budget will be distributed according to political factors, reflecting the interests of political parties or powerful legislators rather than national priorities that may better benefit the broader public (Lee, 2018)

This study empirically analyzed the determinants of the adoption of budget requests based on the actual data used in the budget deliberations of the SCBA on supplementary budget bills during the fiscal years from 2013 to 2019. This study focused on the political influence of legislators such as subcommittee membership of the SCBA, seniority, or party affiliation in budget deliberations (H. Hong, 2018).

This study found that budget requests from the subcommittee members of the SCBA were more likely to be adopted than non-subcommittee members' requests. This result implies that subcommittee members use their institutional authority to secure budget benefits. Among the subcommittee members, the budget requests from the executive secretary have a higher probability of being adopted than those from other subcommittee members.

However, no significant statistical evidence could be found as to the seniority of the requestors affecting the adoption of the budget requests. Even though the senior members have a deep relationship with the participants in the budget process and abundant experience in budgeting, the budget decision-making process of the SCBA does not reward more favors to its senior members. Neither did this study find any significant statistical evidence that ruling party members have an advantage over members of the opposition party in securing budget benefits. However, a budget request with the support of both party members has a higher probability of being adopted than a request with the support of only one party. This shows that the ruling party in the legislature attempts to work with the opposition parties rather than ignore them. The ruling and opposition parties tend to share the budget benefits evenly by building coalitions. In this process, the decision-makers of the SCBA prefer to adopt the budget request with the support of both parties.

This analysis has confirmed that the members of the SCBA subcommittee enjoy an advantage in securing budget benefits and that the position of the ruling and opposition parties is to work

together to carry out the budget requests in SCBA budget deliberations.

5.2. Policy Implications

This study showed that the budget requests from the subcommittee members of the SCBA have a higher possibility of being adopted than those from non-subcommittee members. The SCBA's subcommittee members work together strategically to advance their interests in the budget deliberations and secure more budget benefits because they control the adoption of budget requests.

If the benefits of budget requests from SCBA subcommittee members exceed its cost, this may not result in budget waste and is regarded as just part of the democratic process. However, the lack of information and limited time for budget deliberations may give rise to a poor screening of the efficiency, effectiveness, or feasibility of budget requests in SCBA budget deliberations. Besides, the closed-door budget deliberation process, the SCBA's subcommittee-centered budget deliberation system, and the short term appointments of SCBA members may promote the pursuit of inefficient self-interest by subcommittee members. Thus, this finding suggests the need to improve the budget deliberation process of the National Assembly.

5.2.1. Strengthen Analysis on Budget Requests

To prevent the misuse of the political advantage of the SCBA subcommittee members, it is necessary to provide sufficient information and time in the budget deliberation process by the SCBA. The lack of information and the short budget deliberation period contribute to the approval and funding of budgets that are more in the self-interest of legislators than in the national interest.

First, it is desirable to provide more information regarding the effectiveness, efficiency, or feasibility of the budget requests and to strengthen the ability of the subcommittee members to choose budget requests based on the merits of the budget projects. Currently, SCBA subcommittee members only receive the name of the budget requester, the budget requisition amount, and a brief description of the purpose through the SCBA subcommittee documents. This lack of information may lead the SCBA subcommittee members to approve some inefficient budget requests based on their political interests.

Similar to the analysis report on the executive's budget bill, the NABO may support SCBA members by providing information regarding the effectiveness and long-term costs of the budget requests. The executive can also review the efficiency or feasibility of budget requests and provide additional information before consenting to the requests.

Next, it is necessary is to provide adequate time to review the budget requests. The participants in budget deliberations need sufficient time to consider the economic efficiency and policy priority

of the proposed budget. However, SCBA members have insufficient time to fully analyze the merits of the budget requests. Although the National Assembly is guaranteed by law at least 90 days in the regular session (from September 1 to December 9) for budget deliberations, in practice, the budget review period lasts only about one month. The reason for this time restriction is that the National Assembly conducts the annual inspection and investigation of the executive during September or October through a resolution in the plenary session¹² and the budget deliberation process typically starts only once that inspection has concluded in late October or early November¹³.

Thus, the National Assembly could abolish the practice of conducting its inspection on the executive branch during the regular session to accommodate budget deliberations during the regular session. Additionally, the National Assembly has the authority to make the rules to guarantee enough time to carry out a thorough analysis of the budget requests. In the U.S., the House Appropriations Committee (HAC) stipulates that agencies should be given 20 days to verify the economic efficiency and feasibility of budget requests (Gordon, 2018).

¹² Act on the Inspection and Investigation to Executive (Article 2) stipulates that the Korean National Assembly conducts the annual inspection and investigation before the commencement of the regular session, but the inspection may take place during the regular session by a resolution of the plenary session.

¹³ The formal speech by the President about the executive's budget bill, which indicates the start of budget deliberations, took place on October 27 in 2015, October 24 in 2016, November 1 in 2017, November 1 in 2018, and October 22 in 2019 (SCBA, 2019, p. 70).

5.2.2. Controlling the Power of Special Committee of Budget and Accounts

Enhancing transparency of the budget review, strengthening the role of the standing committee, and expanding the time that members serve on the SCBA would reduce the political influence of the subcommittee membership on the budget deliberation process. A nontransparent review procedure, a dominant role of the SCBA subcommittee, and a short tenure of SCBA members allow SCBA subcommittee members to form a winning coalition to secure budget benefits.

The first alternative is to provide a greater degree of transparency to the budget deliberations of the SCBA. Currently, no information related to budget requests is made available to the public, except the final deliberation result of the plenary session. Additionally, the entire decision-making process regarding the adoption of budget requests in the SCBA is closed to the public and not recorded¹⁴. This closed-door negotiation undermines the transparency and accountability of the decision-makers (H. Hong, 2018; W. Lee, 2003; J. Park, 2013). The SCBA subcommittee members make their various budget requests into a package before they are voted on behind closed doors. The members could easily explain that the final package represented a compromise and that they do not have responsibility for the whole package.

¹⁴ The SCBA cannot formally discuss a budget bill because the executive budget bill is submitted to the plenary if the SCBA fails to complete its deliberations by November 30. In this case, an unofficial meeting of the sub-subcommittee of the SCBA could coordinate an agreement between the ruling and opposition parties.

Even though the closed-door meetings are a practical necessity to reach a compromise among different political interests in budget deliberations, it would be desirable to have more oversight of the budget request adoption process (D. Bae, 2018). In the U.S., the HAC has required that all earmark requests should be posted on members' websites since 2009 and has mandated that subcommittee bills tabulate all requested earmark information (Gordon, 2018). Similarly, the National Assembly should provide information regarding budget requests to the public. The subcommittee of the SCBA should also open at least the standard selection of budget requests to the public.

The second alternative is to separate the right to suggest budget requests and the authority to select budget requests by activating the budget review function of the standing committee. Currently, the standing committee tends to make an excessive number of budget requests largely because it has little rivalry for budget requests as there is no consideration for the total amount of the budget. As a result, the SCBA rarely adopts budget requests from the standing committee with SCBA members preferring to select their own budget requests instead (K. Kim, 2012).

The National Assembly could adopt a two-step budget approval process. The SCBA would discuss the aggregates and divide them among the different sectors. The standing committees would allocate funding to individual projects in their expenditure areas within the upper limits set by the SCBA. Then, the SCBA would coordinate the preliminary review result of the standing committee from the perspective of the total budget, but the SCBA cannot increase the

number of specific budget items that do not include the backing of the standing committee. This change would curtail the current power of the SCBA subcommittee members to secure a self-interested budget. Implementing this reform would require more efforts by members of both the SCBA and the standing committee to persuade one another to support their budget requests. Furthermore, the results would be less predictable because the interests of the standing committee and the SCBA may be different.

The last alternative is to extend the term of the SCBA members. Most legislators would like to be members of the SCBA to obtain the budget benefits. However, the number of seats of the SCBA is limited because it is difficult for all legislators to participate in the decision-making process and arrive at a compromise on the budget in a short period of time. Currently, the National Assembly has established one-year terms for SCBA members, replacing them annually. This rule makes it easy to secure the approval of the plenary session of the SCBA's revised budget bill because legislators expect to become SCBA members in the future because of the frequent turnover in committee membership. When it is their turn, they may try to reach a more self-interested budget.

Thus, it is possible for the National Assembly to extend the term of SCBA members to increase the oversight of the plenary session of the SCBA's final budget review. This would also make better use of the expertise and knowledge of SCBA members in budget deliberations.

5.3. Study Limitations

This study is the first attempt to empirically analyze the political influence of the members of the SCBA on the adoption of their budget requests. Nevertheless, owing to difficulties in collecting data, this study has four limitations.

First, this analysis used data from budget deliberations on the supplementary budget bills. Therefore, the results may not apply to regular budgets that differ from supplementary budgets in terms of purpose, size, and deliberation period. Some legislators may be less interested in budget requests in the supplementary budget as the supplementary budget has a specific purpose, a smaller budget size, and a shorter deliberation period.

Second, this study analyzed only six years of data after the fiscal year 2013 because it is difficult to access reliable data before that date. Prior to the fiscal year 2013, the subcommittees of the SCBA could accept budget requests that had not been included in the subcommittee document of the SCBA but rather proposed to the subcommittee members in person. It is therefore difficult to collect and check all budget requests and requestors before the fiscal year 2013.

Third, the analysis cannot completely rule out the possibility that there are many uncontrolled variables related to the economic rationality of budget requests and the role of the executive. Even though this study tried to control the merits of the budget requests and the executive's interest by setting control variables such as local

project, membership of the competent standing committee, and executive priorities, this study cannot entirely control other factors that may also affect the budget process.

Lastly, this study did not consider the political influence of hidden real proposers who are not members of the SCBA because of the limitations of data acquisition. Under the current system, only members of the SCBA can propose the budget request in the budget deliberation process. If nonmembers of the SCBA want to make budget requests, they can do so only through the members of the SCBA. That is, the members of the SCBA can suggest budget requests on behalf of non-SCBA members. In this case, although the influence of hidden actual sponsors may affect the adoption of the budget requests, this study does not take this factor into account.

When it comes to the study of the political influence of legislators on the budget process in the future, it is necessary to conduct research on the regular budget and to secure more data over a longer time period. In addition, future research should take into account not only the nominal budget requestors but also other participants such as hidden real budget requestors and the executive. This additional research will further our understanding of the legislature's budget deliberations, which will improve the efficiency and transparency of the budget deliberation system.

Bibliography

- Bae, Seokjoo. (2016). *A Study of the Behavior of 'Budget-Slip' in the Korean National Assembly's Budgetary Process*. (Doctorate), Hankuk University of Foreign Studies, Seoul.
- Balla, Steven J., Lawrence, Eric D., Maltzman, Forrest, & Sigelman, Lee. (2002). Partisanship, Blame Avoidance, and the Distribution of Legislative Pork. *American Journal of Political Science*, 46(3), 515–525.
- Black, Duncan. (1948). On the Rationale of Group Decision-making. *Journal of Political Economy*, 56(1), 23–34.
- Buchanan, James M. (1949). The Pure Theory of Government Finance: A Suggested Approach. *Journal of Political Economy*, 57(6), 496–505.
- Buchanan, James M., & Tullock, Gordon. (1962). *The Calculus of Consent*. Ann Arbor: University of Michigan Press.
- Butler, Eamonn. (2012). Public Choice—a Primer. *Institute of Economic Affairs Occasional Paper*, 147.
- Chang, Moonsun, & Yoon, Sungsig. (2002). Empirical Analysis of Determining Factors of Budget Deliberation of the National Assembly. *The Korea Association for Policy Studies*, 11(2), 99–121.
- Choi, Hesuk. Budget process revives scourge of old politics. *Korea Herald*. 2013. 1. 2.

- Clemens, Austin, Crespino, Michael, & Finocchiaro, Charles J. (2015). Earmarks and Subcommittee Government in the US Congress. *American Politics Research*, 43(6), 1074–1106.
- Collie, Melissa P. (1988). The Legislature and Distributive Policy Making in Formal Perspective. *Legislative Studies Quarterly*, 13(4), 427–458.
- Dolan, Julie. (2002). The Budget-minimizing Bureaucrat? Empirical Evidence from the Senior Executive Service. *Public Administration Review*, 62(1), 42–50.
- Downs, Anthony. (1960). Why the Government Budget is Too Small in a Democracy. *World Politics*, 12(4), 541–563.
- Evans, Diana. (2004). *Greasing the Wheels: Using Pork Barrel Projects to Build Majority Coalitions in Congress*. New York: Cambridge University Press.
- Fenno, Richard F. (1966). *The Power of the Purse; Appropriations Politics in Congress*. Boston: MA; Little, Brown
- Ferejohn, John A. (1974). *Pork Barrel Politics*. Stanford: CA; Stanford University Press.
- Fozzard, Adrian. (2001). The Basic Budgeting Problem: Approaches to Resource Allocation in the Public Sector and their Implications for Pro-poor Budgeting. *Overseas Development Institute*.
- Gordon, Steven. (2018). What Did the Earmark Ban Do? Evidence from Intergovernmental Grants. *Journal of Regional Analysis & Policy*, 48(3), 20–40.

- Ha, Yeonseob, & Kang, Hyewon. (2016). Analyzing the Pattern of Budget Deliberation in the National Assembly: The Case of Higher Education Finance. *Korean Policy Studies Review*, 25(4), 59–90.
- Hong, Hyungsun. (2018). *Pork Barrel Politics in the National Assembly: a Rational Choice Institutional Interpretation* (Doctorate), Yonsei university, Seoul.
- Hong, Yoonpyo. (2020). *Political Allocation in the Budget delieration process of the National Assembly and Budget execution*. (Doctorate), Seoul National University, Seoul.
- Jeong, Changsoo. (2019). Analysis of Factors of the Budget Deliberation of National Assembly after the Enactment of National Finance Act. *The Journal of Korean Public Policy*, 21(2), 67–92.
- Keefer, Philip, & Khemani, Stuti. (2009). When do legislators pass on pork? The role of political parties in determining legislator effort. *American political Science review*, 99–112.
- Key, V. O. (1940). The Lack of a Budgetary Theory. *The American Political Science Review*, 34(6), 1137–1144.
- Kim, Chunsoon. (2019). Aspects and Changes of the National Budget Modified in the 19th National Assembly of Korea. *Journal of Budget and Policy*, 8(1), 29–67.
- Kim, Hyunki, & Jang, Inbong. (2001). An Empirical Study on the Budget Review Activities of National Assemblymen. *korean policy sciences review*, 5(3), 169–200.

- Kim, Inchul, Kang, Moonhee, & Kim, Duhyun. (2001). Patterns and Determinants on Government Budget Review in the National Assembly: The Case of Korea. *International Area Studies Reviews*, 5(4), 171–197.
- Kim, Junil, & Choi, Wooyul. The secretaries of the ruling and opposition parties take the budget for local districts. *Donga Ilbo*. 2013, 1.2.
- Kim, Kunoh. (2012). *Fiscal Consolidation and Budget Reform in Korea: The Role of the National Assembly*: RAND Corporation.
- Kim, Sungchul, Jang, Sukyoung, & Kang, Youjin. (2000). An Empirical Study on the Determinants of Legislative Budget Authorization in Korea. *Korean Public Administration Review*, 34(2), 219–237.
- Kim, Youngrok , & Kim, Sangsoo. (2018). An Empirical Analysis on the Results of the Budget Review of the National Assembly: Policy Characteristics, Scope of Benefits, Political Influence. *Korean Policy Studies Review*, 27(2), 51–73.
- Kingdon, John W. (1989). *Congressmen's Voting Decisions*. Ann Arbor: University of Michigan Press.
- Klingensmith, James Z. (2016). Pork–Barrel Spending and State Employment Levels: Do Targeted National Expenditures Increase State Employment in the Long Run? *The Review of Regional Studies*, 46(3), 257–279.
- Ko, Kilkon. (2017). Procedures and Issues for Using Logistic Regression Analysis in Public Administration. *Modern Society and Public Administration*, 27(4), 3–33.

- Lazarus, Jeffrey. (2010). Giving the People What They Want? The Distribution of Earmarks in the US House of Representatives. *American Journal of Political Science*, 54(2), 338–353.
- Lee, Frances E. (2003). Geographic Politics in the U.S. House of Representatives: Coalition Building and Distribution of Benefits. *American Journal of Political Science*, 47(4), 714–728.
- Lee, Wonhee. (2003). Analysis of Pork Barrel in the Korean Legislature. *Korean Public Administration Quarterly*, 15(1), 225–240.
- Lee, Younghwan. (2018). A Study on the Improvement of the Operation of the Deliberation System for Improving Financial Soundness. *Journal of Tax Studies*, 18(1), 135–163.
- Lewis, Verne B. (1952). Toward a Theory of Budgeting. *Public Administration Review*, 12(1), 42–54.
- Lindblom, Charles E. (1959). The Science of Muddling Through. *Public Administration Review*, 19(2), 79–88.
- Lowi, Theodore J. (1964). American Business, Public Policy, Case–Studies, and Political Theory. *World Politics*, 16(4), 677–715.
- Mayhew, David R. (1974). *Congress: the Electoral Connection*. New Haven: Yale University Press.
- Meyer, Steven A, & Naka, Shigeto. (1998). Legislative Influences in Japanese budgetary politics. *Public Choice*, 94(3–4), 267–288.
- Mueller, Dennis C. (2003). *Public choice III*: London: Cambridge University Press.

- Niskanen, William A. (1971). *Bureaucracy and Representative Government*. Chicago: Aldine, Atherton.
- Park, Chanwook. (2003). Budget Review in the National Assembly of Democratic Korea. *Journal of East Asian Studies*, 3(3), 493–521.
- Park, Jhungsoo. (2013). National Assembly Budget Assessment Evaluation of Current Status Quo and Some Reform Agenda. *Ewha Journal of Social Sciences*, 29(1), 301–332.
- Posner, Paul, & Park, Chungkeun. (2008). Role of the Legislature in the Budget Process: Recent Trends and Innovations. *OECD Journal on Budgeting*, 7(3), 1–26.
- Rich, Michael J. (1989). Distributive Politics and the Allocation of Federal Grants. *The American Political Science Review*, 83(1), 193.
- Riker, William H. (1962). *The Theory of Political Coalitions*. New Haven: Yale University Press.
- Rogoff, Kenneth, & Sibert, Anne. (1988). Elections and Macroeconomic Policy Cycles. *The Review of Economic Studies*, 55(1), 1–16.
- Savage, James D. (1991). Saints and Cardinals in Appropriations Committees and the Fight against Distributive Politics. *Legislative Studies Quarterly*, 16(3), 329–347.
- SCBA. (2019). *The Handbook of Special Committee on the Budget and Account*. Special Committee on Budget and Accounts of Korean National Assembly.

- Schick, Allen. (1966). The Road to PPB: The Stages of Budget Reform. *Public Administration Review*, 26(4), 243–258.
- Schick, Allen. (2000). *The federal budget: politics, policy, process*. Washington, D.C: Brookings Institution Press.
- Stein, Robert M., & Bickers, Kenneth N. (1994a). Congressional Elections and the Pork Barrel. *The Journal of Politics*, 56(2), 377–399.
- Stein, Robert M., & Bickers, Kenneth N. (1994b). Universalism and the Electoral Connection: A Test and Some Doubts. *Political Research Quarterly*, 47(2), 295–317.
- Strom, Gerald S. (1975). Congressional Policy Making: A Test of a Theory. *The Journal of Politics*, 37(3), 711–735.
- Weingast, Barry R. (1979). A Rational Choice Perspective on Congressional Norms. *American Journal of Political Science*, 23(2), 245–262.
- Weingast, Barry R. (1994). Reflections on Distributive Politics and Universalism. *Political Research Quarterly*, 47(2), 319–327.
- Weingast, Barry R., & Marshall, William J. (1988). The Industrial Organization of Congress; or, Why Legislatures, Like Firms, are Not Organized as Markets. *Journal of Political Economy*, 96(1), 132–163.
- Weingast, Barry R., Shepsle, Kenneth A., & Johnsen, Christopher. (1981). The Political Economy of Benefits and Costs: A Neoclassical Approach to Distributive Politics. *Journal of Political Economy*, 89(4), 642–664.

Wildavsky, Aaron B. (1975). *Budgeting : a comparative theory of budgetary processes*. Boston: BT: Little, Brown.

Wilson, Jeffrey R, & Lorenz, Kent A. (2015). *Modeling binary correlated responses using SAS, SPSS and R* (Vol. 9): Springer.

국문초록

국회 예산심의 과정에서 국회의원의 정치적 영향력에 관한 연구 -예산결산특별위원회의 추가경정예산을 중심으로

Kim, Hyemi
서울대학교 행정대학원
글로벌 행정전공

국회 예산 심의과정은 짧은 심의 기간과 불투명한 심사 방식으로 인해, 국회의원들이 정치적 영향력을 활용하여 정당이나 유권자 등을 위한 이익을 확보할 수 있다는 비판이 제기되어 왔다. 그러나 실제로 국회의원의 지위, 선수, 소속 정당 등 정치적 영향력이 예산 증액 요구의 채택에 영향을 미치는지에 대해서는 실증적 분석은 부족한 편이다.

본 논문은 예산안 심사 과정에서 증액 요구 의견을 제시한 개별 국회의원의 정치적 영향력이 증액 의견의 채택 여부에 영향을 미치는 지, 예산결산특별위원회 예산조정소위원회의 심사 기초 자료를 바탕으로 실증적으로 분석해 보고자 하였다. 이를 위하여 본 논문은 2013년부터 2019년까지 추가경정예산안에 대한 국회 예산결산특별위원회의 예산 증액 요구를 분석하였다.

분석 결과, 해당 증액의견을 제안한 의원에 예산결산특별소위원회 간사이거나 소위원회 위원이 포함된 경우 당해 증액의견이 채택될 경향이 그렇지 않은 의견보다 약 2배 정도 높게 나타났다. 그러나 증액 의견을 제시한 국회의원의 선수는 증액 의견의 채택에 유의미한 영향을 주지 않는 것으로 나타났다. 또한, 여당 의원이 제안한 예산 증액

요구가 야당 의원의 예산 증액 요구에 비해 채택될 확률이 높을 것이라는 가설은 성립하지 않은 반면, 여야 의원이 함께 예산 증액 의견을 제안할 경우 야당 의원만 제안한 경우보다 채택될 확률이 약 2배 정도 높게 나타났다.

이를 통해, 현행 예산 심의제도 하에서 증액의견 제안자가 예산결산특별위원회의 예산조정소위원회 위원일 경우 해당 의견의 채택 여부에 긍정적인 영향을 미칠 수 있다는 점을 입증할 수 있었다. 또한, 여당과 야당은 예산 증액 요구의 반영을 위해 서로 협력하는 것을 알 수 있었다.

따라서 예산결산특별위원회의 예산조정소위원회의 위원이 해당 지위에 따른 정치적 영향력을 남용하여 본인의 정치적 이익을 위한 예산을 획득할 가능성을 방지할 수 있도록 예산심의 제도의 개선이 필요하다. 이를 위하여 예산 결정권자에게 예산 증액 요구 사업 자체의 타당성을 검증할 수 있도록 충분한 정보와 시간을 제공하는 방안을 검토해 볼 수 있다. 또한, 예산증액 심사과정의 정보를 대중에게 공개하여 투명성을 높이고, 상임위원회의 예산 심의 권한을 내실화하며, 예산결산특별위원회 위원의 임기를 연장함으로써 예산조정소위원회 위원의 정치적 영향력을 줄이는 대안도 고려해 볼 수 있다.

주요어: 국회 예산심의, 정치적 영향력, 예산결산특별위원회, 예산 증액 요구

학번: 2018-29721