
The Impacts of Voting Rules on Acceding EU Member States

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We propose a framework by which to observe the consequences of enlargement of the European Union. We outline the sincere positions of the old and new EU members, using a one-dimensional spatial model to predict a range of stable policy outcomes under two proposed sets of voting rules: qualified majority voting (QMV), and a dual majority requiring a majority of the members states encompassing 60% of the EU's population. We show that the positions of the ten joining countries tend to fall outside of the range of stable outcomes under QMV, and even more so under the dual majority rule [D72; D78; D02; H87].

1. - Introduction

Soon, ten new countries will join the European Union, all but three of them former *Warsaw Pact* countries. This marks a time of

great change for both the Union and these new mostly post-communist member states. Especially for these *post*-communist countries, being autonomous state actors for just over a decade after four decades of communist leadership with strong ties to Moscow, are now preparing to coordinate many of their policies with their western neighbors by developing strong ties to Brussels. Our focus is on describing the impact that joining the European Union will have on the full set of new member countries regarding the policy outcomes that they may be forced to accept under qualified majority voting (QMV). We examine the decision that would be made if each country were to practice sincere voting (Farquharson, 1969) on three issues — gender equality, energy use, and the environment — treating each issue separately. Specifically we will show how the new member countries will have to accept changes by joining the European Union that they would probably not otherwise make. We believe that the new member countries are aware of this. They know that by joining the European Union they will have to adopt policies they would not adopt on their own.

The current QMV rule calls for about 72% of the weighted votes to make a decision. In our analyses we assume single dimensional preferences arranged on each issue, with a stable range of policy within the 28th and 72nd percentile. An alternative that cannot be beaten (because at least 28% of the countries would be opposed to each possible alternative) is considered a stable outcome. It can be shown that the stable outcomes compose a continuous range from the preferred position of the 28th to that of the 72nd percentile.

When new countries are added to the existing EU 15 the range of stable outcomes increases, which reduces the range of situations where the EU can act to change a *status quo* policy (Ray, Feld and Grofman, 2003). That is, the EU countries of Western Europe are sacrificing some of their policymaking power by allowing the EU to expand. Adding countries with different distributions of policy preferences from the old set of countries will tend to reduce the conditions under which enough countries will agree to meet the 72% requirement of adoption of policy. This means that there are fewer situations in which a change in poli-

cy can be made. This will obviously mean more limited policy options in the existing EU members in the Council. However, the costs for the ten new member countries are potentially much higher. We will discuss these potential costs to the new member countries and their implications.

2. - Historical Perspective

The delegation of power in the process of European integration has been very cautious. There are still many issues which require unanimity within the EU. And even in those issues where there is no unanimity requirement, change in policy position is far from an easy accomplishment. Much of the stability of the decision making process in the Council of Ministers is due to a tradition requiring a supermajority of weighted votes in the Council, with the quota varying between 70-74% of the weighted votes. That is the votes of some countries count more than others. The weight assigned to a vote in the Council of Ministers for each country is roughly based on population. Much of this was designed to preserve a Franco-German blocking coalition. This is true not only in the current Council of Ministers, but also in many of the pre-EU European supranational decision making bodies. Going back the roots of European integration with the European Coal and Steel Community in 1951, which created Europe's first common market, the institution was structured so that any policy had to have the blessing of either France or Germany (Haas, 1958). If both countries objected to a policy it could not be instituted. Later, the creation of the European Economic Community with the 1957 *Treat of Rome* saw the preservation of this Franco-German blocking coalition. The purpose of this arrangement was to ensure that all European policy would require the consent of at least one of the governments of Europe's two largest nations; i.e. nothing could be done against the will of both of them. Though in practice this blocking coalition no longer exists, it has left a legacy of supermajority that continues to dominate the ability to act for the current Council of Ministers.

It is no wonder then, that the re-weighting of votes in the Council has been so controversial. After the 1972 enlargement the issue was avoided until the late 1990s. The *2000 Treaty of Nice* finally decided on a re-weighting of the votes for existing members, as well as assigning the voting power for each of the new member countries. While there are still many issues that require unanimity from all member countries, an ever-larger range of issues is becoming subject to decision making within the Council. Because of this, the weighting of the votes in the Council is becoming more and more relevant. Our analysis will be based upon the weight of these votes, and will look at the implication of these weights.

3. - Goals

Following the approach presented by Ray, Feld and Grofman (2003), we use a straightforward analytical framework that allows us to observe the policy "losses" the new EU members are likely to face. Each country is assumed to have an ideal position based on the sincere preferences of each country independent of other issues. We assume that the preferred position of each country is indicated by its current objective situation with respect to that issue; e.g. a country that has high current pollution levels relative to the others will prefer a policy that is not too restrictive or punitive on countries with respect to their pollution levels. We are not attempting to present a model of actual policy outcomes within the EU. Policy decisions are complex, and certainly cannot be adequately predicted, taking each issue in isolation from all others. Often times it takes "political capital" to make certain agreements, sacrificing positions on some issues which are less salient than others (see e.g. de Mesquita and Stockman, 1994). We do not seek to describe the complex processes by which decisions in the Council of Ministers are made. Our goals are much more modest. We seek to simply illustrate the tendencies for the new expanded EU to make decisions that are very different from those that would be preferred by the new countries. Whether the EU will, in fact, make those decisions will depend upon various ne-

gotiations and tradeoffs with regard to these and other issues, where many issues will be considered simultaneously. However, in this paper we will presume that the EU will tend to make decisions within its range of stable outcomes from sincere voting, unless other factors intervene.

We will show the new member countries will have much less power overall, and as a whole will be dominated by the fifteen western members. In the expanded Council of Ministers the western EU members will have a total of 237 weighted votes under QMV, compared to a total of 84 for the joining countries.

4. - Description of the Spatial Model

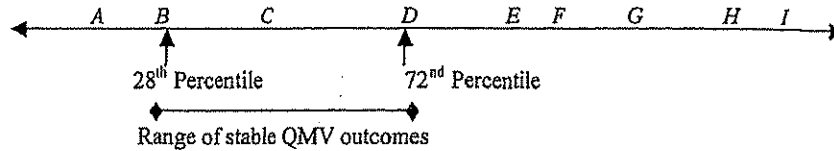
To examine issues independently we follow the lead of Ray, Feld and Grofman (2003) in using a standard one-dimensional spatial model (Downs, 1957; Black, 1958). We assume that the policy preference of the actors — in this case member states — can be represented by their ideal point on this one-dimensional continuum. As we noted before, we assume sincere voting, by which we mean each actor will vote for the outcome it most prefers independent of other strategic considerations. We realize the limited explanatory power of this approach, but we contend that this approach is appropriate for our goals.

When using simple majority voting rules with all possibilities located on a single issue dimension the any proposal coinciding with the ideal point of the median voter would defeat all other proposals. However, under a supermajority voting rule like that of the Council of Ministers, there is usually no single proposal that can beat all other proposals. There are however generally several alternative that cannot be beaten by any others. This creates a stable range of possible outcomes within the formal model, meaning if all actors behave properly regarding a set of alternatives (continuous on the one dimensional space) then is impossible to defeat under supermajority rules.

Ray, Feld and Grofman illustrate the basic approach with the illustration in Graph 1. States *A*, *B* and *C* have four votes each,

GRAPH 1

LOCATING THE RANGE OF STABLE OUTCOMES ON ONE DIMENSION



while all the others have only one apiece. If the quota for making a decision is 72%, in this case 13 votes, then the stable range of policy outcomes goes from B to D. All policy positions within the stable outcome range cannot be beaten by any proposal outside the range in either direction. Therefore, under QMV rules possible outcomes are not set, but they are limited to a set of possibilities.

Adding new actors will generally change the range of stable policy outcomes. Before looking at specific example of this we will discuss some general possibilities. Assume that there is a set of countries with a distribution of preferences on a given issue. This distributions of countries has its own mean and standard deviation. Then let us assume that another group of countries is added, also with their own mean and standard deviation on this issue. Before the addition of the new members the initial group made its decisions based only on their distribution. But after adding the new members decisions are made based on a new distribution, which was changed by adding new member countries.

Consider the initial set of countries discussed above, who have their own set of preferences regarding a given issue and a set of weighted votes. Using the one-dimensional voting model discussed earlier, that range of stable outcomes for the initial set of countries — the current EU 15 — goes from the 28th to the 72nd percentile.¹ Assuming an approximately normal distribution,

¹ The exact percentage of the QMV supermajority requirement has varied somewhat over time as new members have been added. For our purposes we will use 72%.

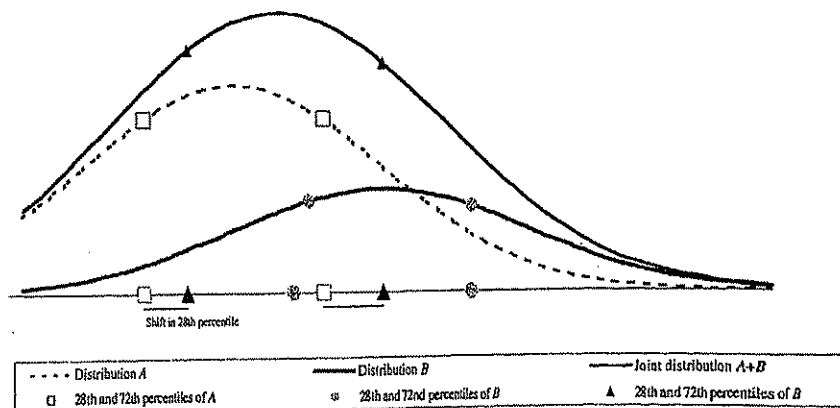
the 28th and 72nd percentile are each located 0,58 standard deviations from the mean. Even for non-normal distributions the mean will generally fall near the center of the stable range, though the location of the stable range is a function of the particular distribution.

Now, let us suppose that the new countries have a total weight approximately 1/3 of the total weight of the old countries, and have the same standard deviation as the old countries but a mean that is one standard deviation higher. We can look at the stable range of decisions that would be taken by the combined set of actors. We can compare that stable range to: a) the stable range of the initial set of actors without the addition of new members, and b) the stable range of the new set of actors to compare the effects of joining the existing union in comparison with their forming their own separate union with a similar decision rule.

Graph 2 shows the stable range of the initial set of countries, the hypothetical stable range of the new set of countries if they had formed their own union, and the stable range of the combined set of countries. First, as should be apparent, the com-

GRAPH 2

EFFECTS OF ADDING NEW MEMBERS ON EACH ENDPOINT
OF THE RANGE OF STABLE OUTCOMES



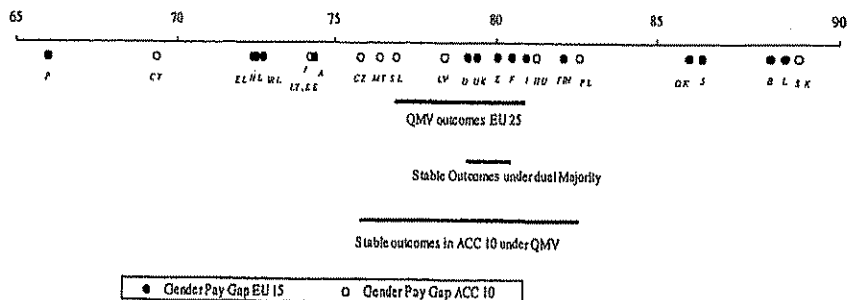
bined stable range is much closer to the stable range for the old countries alone than that for the new countries alone, because the old countries are contributing three times the weight. Second, it should be clear that the left (lower) bound of the combined stable range is especially close to the left bound of the old set of countries alone, while the right (upper) bound moves somewhat further.

5. - Results of the Model

Ray, Feld and Grofman have previous demonstrated that expansion of the EU to twenty-five members tends to expands the range of stable outcomes. Despite this expansion, Graphs 3, 4 and 5 demonstrate that the range does not generally include the new member countries, even under qualified majority voting in an expanded EU, which is by far the most generous of the possible decision making possibilities shown. These Graphs tell a story that the new member countries seem to be, in large part, giving up their policy positions over to the EU, putting themselves in a position where the EU is likely to make a policy choice that is far from their own preferences.

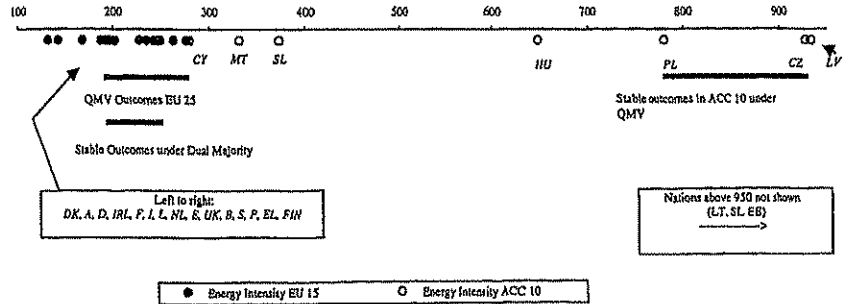
GRAPH 3

OUTCOMES ON GRANDER PAY EQUITY



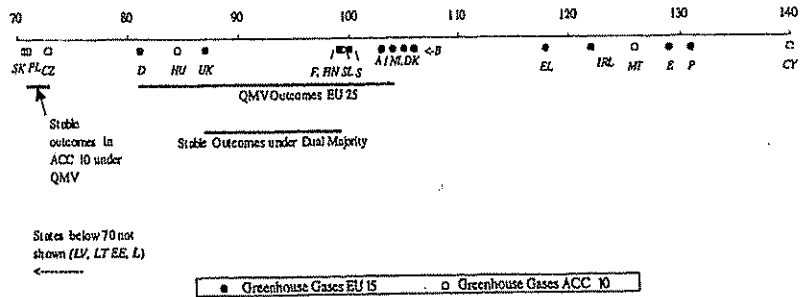
GRAPH 4

OUTCOMES ON ENERGY INTENSITY



GRAPH 5

OUTCOMES ON GREENHOUSE GASES



On Graph 3 one sees that there is considerable overlap regarding the issue positions of the current member countries and the joining countries. Under QMV voting rules in an EU of twenty-five only two new member countries, Slovenia and Latvia, are within the stable policy range. It is important to note, however, that this observation that the new members countries are not excluded is largely because the positions of the new countries are, on average, almost identical to those of the current countries; the means of the current and joining member countries are 79.1 and 79.11 respectively!

Graph 4, which shows hypothetical outcomes on the position of energy intensity, demonstrates what is certainly the most striking example of the ten new member countries falling outside the stable policy range. Looking at QMV in an EU of twenty-five members, all ten countries fall outside of the stable range, which is not surprising since there is no overlap between current EU members and the joining countries. Cyprus is, however, quite close to the stable range under QMV with twenty-five countries. Estonia proves to be an outlier on this value, with a considerably higher score for energy intensity than any other country. Still, even without this extreme case, the noticeable lack of any overlap with the current EU 15 shows a dramatic difference in preferred policy position regarding energy intensity.

Graph 5, which looks at greenhouse gas emissions, though not as striking as Graph 4, also presents a picture of exclusion for the new member countries. There is some overlap between current and acceding EU members, though only two countries, Hungary and Slovenia, are inside the stable range under QMV in an EU 25. Both extremes are in the ten new member countries with Cyprus representing the highest value, and Latvia the lowest.

6. - Notes on the Dual Majority Proposal

Though we have shown that under QMV in a European Union of twenty five member countries will likely lead to decisions that are inconsistent with many of the interests of the new member countries, we have also shown that the new member countries do have some effect in terms of moving the stable range of outcomes for the EU in their preferred direction, and therefore have some influence over the outcomes adding the new members expands the stable range under QMV in each of the policy areas. Also, in regards to the issues of gender pay and greenhouse gas emissions, some new countries are actually within the stable range of policy outcomes.

However, there is a proposal for a dual majority rule that has been incorporated in the draft *Constitutional Treaty* submitted to

the Thessaloniki European Council in June of 2003. This proposes doing away with the entire system of weighted voting, and adopting a system in which all policies would have to have the approval of a majority of the members states that simultaneously represent 60% or more of the population of the EU. As Ray, Feld and Grofman show, this system would dramatically reduce the stable range of policy outcomes relative to QMV under twenty-five member countries. If this rule were adopted, it would increase the likelihood that nearly all of the new countries would find that the EU's decisions were at least somewhat against their interests. If this proposal were to go into effect, it would obviously weaken the position of the new member countries further, whose populations are by and large, smaller than those of the current members countries.

While our analysis focuses on the effects of the dual majority system on the new member states, the actual debate over the future of QMV has not been marked by a split between the new and the older member states. In the *Convention on the Future of Europe*, which initially proposed the dual majority system, nations formed alignments based on their size. Many of the new members cooperated with the older members of comparable population, and as a result that Poland was often at odds with many of the other new members over issues such as the election of a Council President, or the use of QMV (Král, 2003). In the subsequent Intergovernmental Conference, Poland and Spain emerged as the staunchest defenders of the QMV system adopted in Nice. The overrepresentation of these two nations is particularly glaring, as each has almost the same number of weighted votes as Germany, with almost half of Germany's population. In this case, the individual self interest of these nations seems to be the driving concern. There was little evidence that the consequences of alternate voting systems for larger blocks of nations were a consideration. Indeed, all of the other acceding nations seem to have supported the adoption of the dual majority system.

Initially this is not as readily apparent when looking at the issue of female earning. This is largely because, as a whole, the positions of the current member countries and the joining coun-

tries are hardly different, with both sets of countries having almost identical means on this value. The major change from QMV under an EU 25 is the exclusion of Hungary and Poland from the stable policy outcome. The overall stable policy range shrinks by 2.66 from QMV in an EU of twenty-five countries when changing to dual-majority.

The additional effects of reducing the range of stable outcomes away from the interests of most of the new countries on most issues under dual majority become more apparent when looking at outcomes on energy intensity of the economy. Once again, not only are all of the joining countries have positions that are outside the stable range under the dual majority rule, they are all on the same (right) side of the stable outcomes. The mean distance from stable outcomes goes from 512.2 to 539.2. The stable policy range shrinks by 27 going from QMV in an EU of twenty-five to dual majority. While this might not be as much of an issue for countries who were already far from the stable range, Cyprus goes from being on the "edge" of the stable range at 3.8 to being 30.8 away on the energy intensity scale.

Looking at the effects on the outcomes on greenhouse gases also demonstrates additional effects of dual majority on the further exclusion of the new member countries from stable policy outcomes. This is most obvious in the exclusion of one country, Hungary, who was in the stable range under QMV rule in an EU of twenty-five, and the marginalizing of Slovenia, who was comfortably in the stable outcome range, to the outer right edge of stability. Overall, adopting the dual majority proposal would result in a shrinking of the stable policy range by 11 on the emissions index compared to QMV voting with twenty-five countries.

7. - Concluding Remarks

We have shown that by joining the EU, the ten new member countries stand to give up much of their autonomy regarding policy making. Furthermore, if the dual majority proposal is adopt-

ed, these countries will likely experience unwanted outcomes. Why then, should these new countries join the EU?

One obvious answer lies in the economic rewards. Joining the Union will offer new member countries the stability and strength of the euro, the economic rewards of the single market, and also very likely subsidies from the richer countries currently in the EU. This is largely reflected in public support for integration in Eastern Europe. Recent work by Tucker, Pacek and Berinski (2002) has shown that joining the EU in eastern European candidate countries is largely based on perceived economic rewards that will result. Also, the people of the new member countries, many of whom lived under communist rule, may want not only the economic rewards of EU membership, but may also see the EU as a bastion of democracy. Rohrschneider (2002) has suggested that support for integration is linked to the perception of effective European democracy in the current member countries. Applying this to those living in the candidate countries one can see how joining the EU would entrench not only the concept, but also the practice of democracy.

Furthermore, it is hardly likely that leaders in these countries see this much differently. That is to say that the leaders of the joining countries expect to gain not only economic benefits, but also political benefits. By joining the Union these leaders will hopefully improve their economic situation as well as adding stability to, what is in the case of eight of the ten joining countries, their newly democratic countries. Both of these goals — economic well being and the preservation of democracy — are important if they want to retain power (Lewis-Beck, 1988; Norris, 1999; Evans and Whitefield, 1995; Mishler and Rose, 1995 and 1997 for arguments regarding popular support for national level institutions based on economic and political factors. See Mayhew, 1974, for motivations of elected officials in a democratic context).

This is not to say, however, that these new countries will simply give up many policy positions. As mentioned above, the unanimity rule is still in effect for many policies. Although we have purposefully avoided the concept of salience as relates to complex decision-making processes, we suspect that new countries with is-

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sues that are especially important to them will want to maintain their positions, and seek to prevent these issues from entering the realm of qualified majority. Furthermore, the new countries can be fully expected to oppose the institution of the dual majority proposal, given that, as discussed above, it will make them have virtually no voice in policy making in the EU.

However, it is clear that by joining the Union the new member countries are giving over much of their policy making power, something of which they are surely aware. Obviously, these countries perceive the rewards we discussed briefly to outweigh the costs we have discussed more at length. It is a price they are willing to pay for the added democratic stability and economic rewards of joining the Union.

However, it is a risky business strategy for countries to give up power in decisions making over the long term in return for the hope of economic benefits, because it is hard to limit how far-reaching the effects of this concession might become. In the short term, it is apparent that the richer countries currently in the EU are willing and even anxious to share some of their wealth with the new countries in exchange of influence over the new countries and an expectation of increased shared economic benefits. However, one can imagine situations where the old countries might become less generous. In that case, if the new countries have interests that are wildly divergent from those of the older countries, then the older western countries might use their leverage to impose their own preferences.

The ideological hope is that all members of the EU will develop increasingly common interests, and that the current discrepancies between the interests of the old and new countries will dwindle away over time so that the collective choices will ultimately be in the shared interests of all. As long as the decisions require the approval of all, or nearly all the countries, then the range of stable outcomes will necessarily include the interests of nearly all the countries and nearly all the people of Europe. However, if the rules are changed to strengthen the power of the EU, then there is a real risk that a rift in the interests of the countries could result in some countries imposing decisions that are

strongly opposed by others. Furthermore, the existing cleavages in interests could reasonably form the basis for the continuation of rifts along the same lines in the future. So even if the short term interests of the new countries clearly indicate they are advantaged by joining the Union under present conditions, they are taking a serious long term risk.

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